TEXAS BUSINESS REVIEW

A Monthly Summary of Business and Economic Conditions in Texas

BUREAU OF BUSINESS RESEARCH : THE UNIVERSITY OF TEXAS

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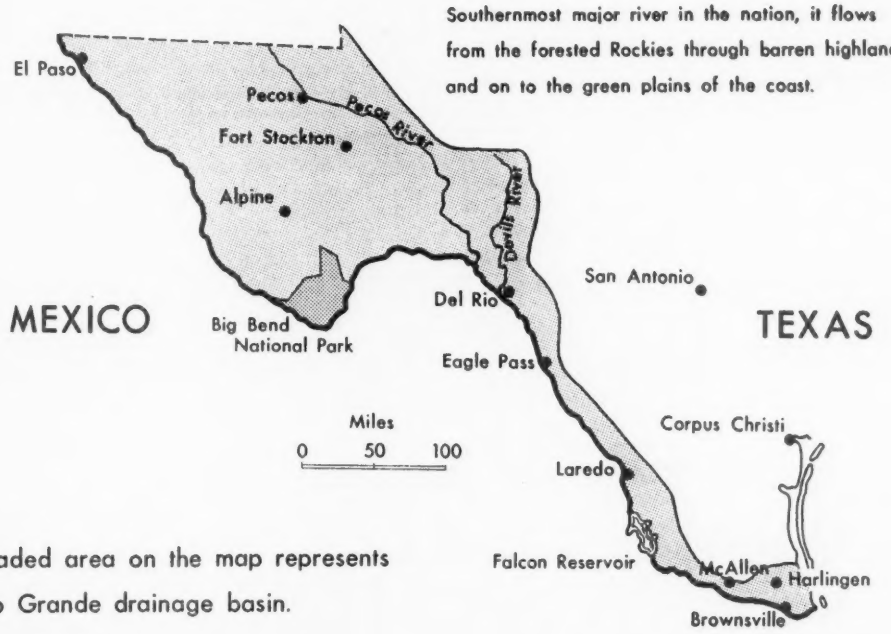
The Rio Grande

Southernmost major river in the nation, it flows from the forested Rockies through barren highlands and on to the green plains of the coast.



Shaded area on the map represents Rio Grande drainage basin.

In 1900 the Rio Grande Valley was largely an unpeopled wasteland. Its largest city then: El Paso, population 15,000. But Valley Texans have learned to draw rich crops and mineral resources from the earth. Today Falcon Dam provides Lower Valley farmlands with a 4 million acre-foot reservoir. And El Paso has become the industrial center of the southern Rockies. A special report on the Rio Grande begins on page 13.

The Business Situation in Texas

Business activity in Texas, after adjustment for seasonal variation, edged slightly higher during May to set another record. The index of business activity in Texas compiled by the Bureau of Business Research rose one point in May after registering no change between March and April. At 177% of the 1947–49 base period, the index in May was 17% higher than a year ago and, as can be seen in the chart below, has been rising with only minor interruptions since early in 1954. The fact that April registered no change and that the rise in May was very small suggests that the present level of activity is at practically full capacity. It seems doubtful that the next 12 months will witness an increase in business volume equal to that registered in the preceding year. If the volume of business continues to increase, the expansion probably indicates a rising secular trend resulting from further population growth and a higher degree of industrialization. It appears that most of the existing capacity of the Texas economy is being utilized.

The table at right gives the changes in the different components of the index of business activity. The rise in the composite index was brought about almost entirely by the increase in building activity. The only other component to register an increase was miscellaneous freight carloadings. Total electric power consumption showed no change, and industrial power consumption declined only one point, less than one-half of one percent. The declines in the other series were small, except for the 5% drop in crude petroleum production.

Every component of the index of business activity except miscellaneous freight carloadings has risen in the 12 months since May 1954. The strongest rise has been in building (+43%); but life insurance sales (+26%), industrial electric power consumption (+24%), and total electric power consumption (+21%) have also made strong gains. Retail sales, adjusted for price changes, rose 12%, while crude runs to stills gained 6%, and crude petroleum production 4%.

INDEX OF TEXAS BUSINESS ACTIVITY AND COMPONENT SERIES

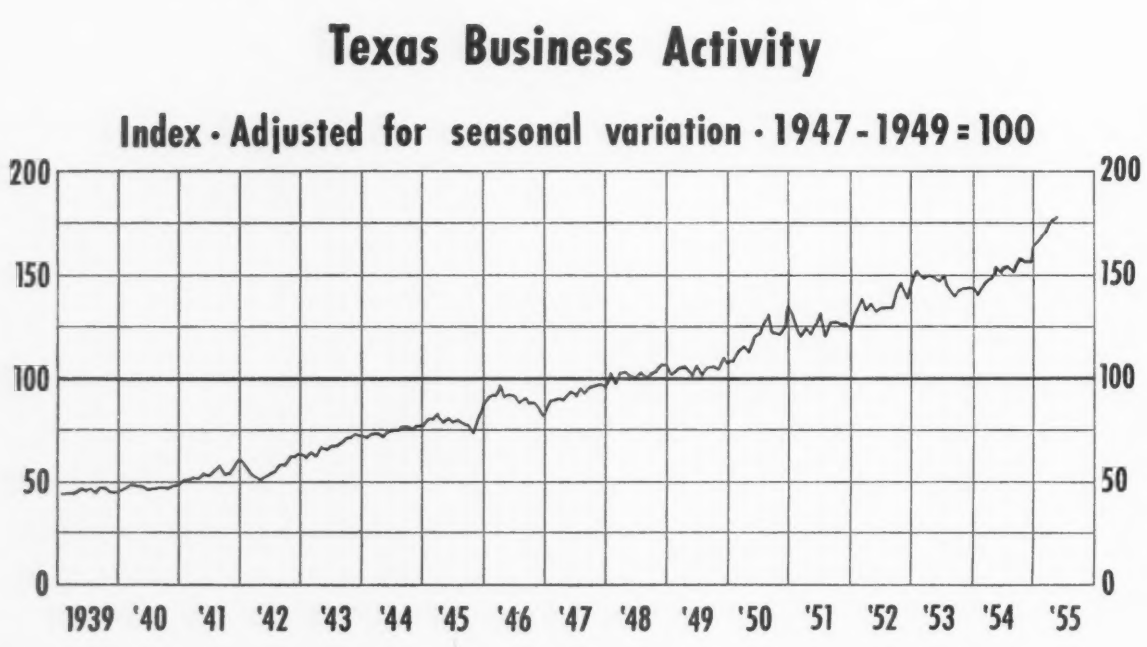
(Adjusted for seasonal variation, 1947–49 = 100)

Index	Weight	May 1955	Apr 1955	Percent change
INDEX OF BUSINESS ACTIVITY (COMPOSITE)	100.0	177*	176*	+ 1
Retail sales, deflated	46.8	156*	158	— 1
Industrial electric power consumption	14.6	309*	310*	x
Miscellaneous freight carloadings	10.0	95	93	+ 2
Construction authorized, deflated	9.4	181*	152*	+ 19
Crude petroleum production	8.1	124*	131*	— 5
Ordinary life insurance sales, deflated	4.2	201	206	— 2
Crude runs to stills	3.9	138	142	— 3
Total electric power consumption	3.0	284*	284*	0

*Preliminary.

xChange is less than one-half of one percent.

The booming construction industry has been the strongest segment of the Texas economic picture, just as it has been for the country as a whole. The May value of the Bureau's index of urban building permits issued was 243% of the 1947–49 base. This index does show considerable erratic variation from month to month; yet, for eight out of the past nine months it has been more than 200% of the 1947–49 level. The index had previously been above



200 for only three months, August and December 1950 and January 1951.

For the United States expenditures for new construction in May were at a record level. This marked the sixth consecutive month of extremely high expenditures. The rise was particularly strong in private construction, with both residential and nonresidential building increasing sharply. As a result of the record first five months of the year, government economists have raised their estimates of the new construction volume during 1955 to $41.8 billion, an increase of 11% over the record 1954 expenditures of $37.6 billion. Last November the official estimate of 1955 construction was $39.5 billion.

Privately financed new home building in the United States was estimated to run 21% ahead of 1954, commercial building 30%, industrial construction 8%, private utilities 4%, and public construction 4%. For Texas F. W. Dodge Corporation reported that the value of new residential construction contracts during the first five months of 1955 was 31% above the same period of last year, and the value of new nonresidential contracts was up 33%. Even if residential building should slow down during the remainder of 1955, it is reasonable to assume that total construction will be well maintained by contracts for nonresidential construction.

During 1954 the volume of new plant and equipment expenditures of business declined, but the trend has been reversed in 1955, and this factor has become one of the major sustaining forces in the current business upswing. The data compiled by the Securities and Exchange Commission and the Department of Commerce are not tabulated separately for Texas, and the information compiled by the Bureau of Business Research on industrial expansion does not include statistical data on investment in new plant and equipment. However, the information available to the Bureau indicates that industrial expansion was maintained at a higher rate in Texas during 1954 than for the country as a whole.

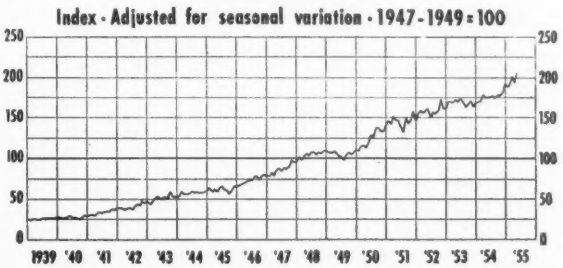
The latest survey of business plans for expenditures for new plant and equipment made by the SEC and Department of Commerce in April and May indicates that expenditures will increase approximately 9% between the first and second quarters of 1955. This would be the largest quarterly rise since the last half of 1950. The plans of business concerns indicate an increase of 3% in the third quarter, which would bring the level of expenditures to nearly $29 billion, equal to the previous peak reached in the third quarter of 1953. These estimates represent a substantial increase over the anticipated expenditures based on the survey made in January and February.

A direct result of the increase in expenditures for new plant and equipment has been the rapid increase in orders for machine tools. The National Machine Tool Builders Association reported that new orders for machine tools in May were at the highest level since August 1953 and were 75% above May 1954. The continued announcement of new plants and expansion of existing facilities in Texas gives evidence that this portion of the economy is still one of the most stimulating factors in the current business situation in the state.

The index of industrial production in the United States compiled by the Board of Governors of the Federal Reserve System reached an all-time high of 138 (1947–49= 100) in May, one point above the previous peak in July 1953. The only statistical measure of industrial production in Texas is the index of industrial power consumption, which reached its highest recorded peak in April. Although the index declined one point in May, it was still 24% above May 1954, and the first five months of 1955 were 19% above the same period of 1954.

Consumer purchases as measured by retail sales in Texas stores continue to represent another mainstay of the business boom. May retail sales declined 2% from April, but May 1955 was 12% above the same month a year ago. Sales of durable-goods retailers were 20% above last May, reflecting the strong demand for cars and appliances. Consumer income has continued high, and installment credit has been generously used to increase purchasing power. The recent wage increases have stimulated some discussion of the possibilities of higher prices, but the major price indexes have remained surprisingly stable through both the decline in 1954 and the rise in business activity in 1955. The consumer price index for May remained unchanged at 114.2% of the 1947–49 base period. The index of wholesale commodity prices declined 0.6 points between April and May but was only 1.0 point below the level of May 1954.

Bank Debits in Texas



The index of bank debits in Texas cities (charted above) shows essentially the same pattern as the index of business activity. May 1955 was 17% above May 1954, the same percentage change as shown by the business index.

JOHN R. STOCKTON

THE UNIVERSITY OF TEXAS

Executive Seminars

To encourage better leadership for small and medium-sized Texas businesses, four one-week executive seminars are scheduled for the coming year, the first beginning July 11. For full information write to the Director, Executive Development Program, Division of Extension, The University of Texas, Austin 12.

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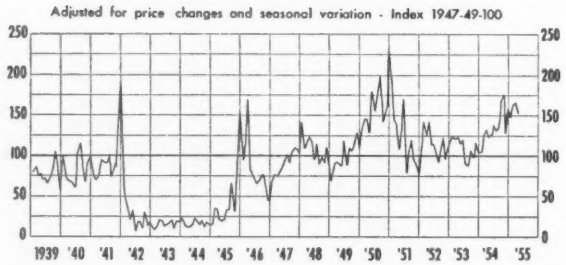
CONSTRUCTION

Near records set for May. After adjustment for seasonal changes, construction authorized in Texas during May increased 19% over April and 46% over the same month of last year to reach the highest point since December 1950, the all-time high in Texas. The $102 million registered in May was over $10 million more than construction authorizations reported for April 1955 and brought the cumulative total for January-May 1955 to 36% over the same period for 1954.

Value of Building Construction Authorized



The biggest single increase was in commercial garages (+2230%), which are springing up all over Texas, not only for transient parking but mainly to relieve parking problems in congested cities. An example of this is one permit issued in Dallas for a multiple-story parking lot for almost $1.4 million. In Houston two permits were issued for a total of almost $2.8 million for similar projects.

Other large increases occurred in small apartment buildings (+640%), larger apartment buildings (+360%), public institutional buildings (+150%), and private schools (+70%). The May rise in apartment construction can be attributed mostly to Houston (68 permits totalling $2.9 million). An addition to a state hospital in Austin accounted for $503,000 of the $641,000 reported for institutional buildings. Schools were built in Houston (four for $1.5 million), San Antonio (three for $365,000), Marshall (one for $289,000), and Gainesville (one for $174,000).

Building permit values issued by cities. Largest relative percent changes in May over April 1955 occurred in Brownwood (+4150%), Llano (+560%), Childress (+250%), Marshall (+220%), Sherman (+170%), Pampa (+140%), and Marlin (+100%). The six largest cities' percentage changes over April were: Austin (+15%), Houston (+11%), Dallas (a very slight decrease), San Antonio (−17%), El Paso (−25%), and Fort Worth (−30%).

Per capita expenditures. Per capita construction spending in 242 cities during May averaged $27.31. Cities that registered more than $100 per person were: Pasadena ($975.71), Irving ($748.57), Richardson ($519.78), Big Lake ($465.61), Mesquite ($381.49), Groves ($237.69), Sinton ($144.33), Justin ($141.13), Dimmitt ($120.47), and Euless ($100.00).

More projects started. The $151.2 million Texas outlay for total construction started in May, reported by Dodge Statistical Research Service, represents a 15% gain over April and a 35% improvement over May 1954. The

cumulative January-May total was 28% ahead of the like period of last year. During the first five months of this year value of nonresidential building starts rose 33% above the comparable 1954 total, while residential building and public works and utility projects registered increases of 31% and 14%, respectively, for the same period.

The national picture. The value of new construction put in place throughout the nation expanded seasonally in May to $3.5 billion, setting a new high for the month and establishing a record total of nearly $15.3 billion for the first five months of the year, according to preliminary estimates prepared jointly by the U. S. Department of Commerce and Department of Labor. Construction expenditures during May rose to an all-time peak annual rate of $42.1 billion, seasonally adjusted. This compares with an annual rate of $41.1 billion during January 1955 and actual outlays of $37.6 billion in 1954. Increased activity in nearly all types of private work contributed to this record rate. Private expenditures totalled $11.1 billion during January-May 1955, highest sum ever recorded for that part of a year and 21% more than private construction outlays in the previous record first five months of 1954. Public outlays during January-May were the same as in the corresponding five months of 1954, as sustained expansion in state and local public works offset continued declines in public housing activity and most types of direct federal construction.

Private residential building activity increased seasonally from April to set a new peak for the month of May and to complete a record five-month period. The $6.0 billion worth of work put in place was a 33% increase over January-May 1954.

Other types of private construction that posted new records for work put in place in the first five months of 1955 were commercial, religious, and educational buildings. The current level of expenditures for private educational buildings is lower, however, than the amounts recorded for August and September 1954.

During January-May 1955 most types of public construction continued at an even rate, after allowing for seasonal factors. Compared with 1954, residential and industrial building activities were lower in 1955 by 35% and 41%, respectively, and conservation and development work was off by 13%. These decreases were offset by gains in public educational buildings (+18%), military facilities (+13%), sewer and water projects (+11%), and highway projects (+8%). Hospital construction continued relatively unchanged over the year.

House hunters to pay more. New homes bought this summer will probably cost $200 to $400 more than they would have earlier this year. Builders of medium-priced homes—$10,000 to $18,000—in a number of cities say they have already raised their prices or will in the near future. Generally, the price advance reflects a new round of wage boosts for building trades workers (carpenters, painters, and bricklayers). Some boosts in the cost of lumber and other building materials also are adding dollars here and there to price tags on housing.

Demand still strong. A *Wall Street Journal* survey of builders in a dozen key cities reveals other house building highlights. For one, there is little slackening of demand for houses, although some builders say buyers are looking a little harder and longer than before. In other areas, including Dallas and Houston, builders are starting fewer homes this summer than last or cutting back original plans for new construction. One reason for this cutback may be the anticipated 30% increase in prefabricated houses. Where cutbacks are occurring, they are usually in speculative homes, for which the builder seeks a buyer after the house is finished. And shortages of some materials, notably cement, are making life hard for builders but generally are not delaying buyers' moving days.

An FHA slowdown? Reports and rumors in recent weeks have suggested that the Federal Housing Authority had shut off various types of mortgage loan commitments in some parts of the country. The agency announced that 26 areas were involved, but FHA officials in Washington have refused to list the areas or further explain the withdrawals and agree that the housing market should be left to self-adjustment, rather than government controls, except in a few isolated areas where industrial expansion is rapid.

(Continued on page 16)

ESTIMATED VALUE OF BUILDING PERMITS ISSUED

Source: Bureau of Business Research in cooperation with the Bureau of Labor Statistics, U. S. Department of Labor

Classification	May 1955*	January-May 1955	January-May 1954	Percent change
CONSTRUCTION CLASS	Value (thousand of dollars)			
ALL PERMITS	101,929	470,292	345,548	+ 36
New construction	84,806	418,643	307,973	+ 36
Residential buildings	59,869	290,892	202,476	+ 44
Housekeeping dwellings	59,343	287,255	198,782	+ 45
One-family dwellings	54,999	274,723	188,696	+ 46
Multiple-family dwellings	4,344	12,532	10,086	+ 24
Nonhousekeeping buildings	526	3,637	3,694	— 2
Nonresidential buildings	24,937	127,751	105,497	+ 21
Additions, alterations, and repairs	17,123	51,649	37,575	+ 37
METROPOLITAN vs. NON-METROPOLITAN† (1950)				
ALL PERMITS	101,929	470,292	345,548	+ 36
Metropolitan	77,675	359,212	260,647	+ 38
Central cities	65,736	301,195	223,315	+ 35
Outside central cities	11,939	58,017	37,332	+ 55
Nonmetropolitan	24,254	111,080	84,900	+ 31
10,000 to 50,000 population	14,616	71,194	45,266	+ 57
Less than 10,000 population	9,638	39,886	39,634	+ 1

Only building for which permits were issued within the incorporated area of a city is included. Federal contracts and public housings are not included.

*Preliminary.

†As defined in the 1950 Census.

VALUE OF CONSTRUCTION CONTRACTS AWARDED

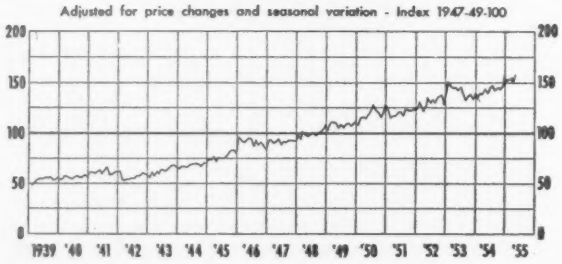
Source: Dodge Statistical Research Service

Type of construction	May 1955	January-May 1955	January-May 1954	Percent change
	Value (thousands of dols)			
NEW CONSTRUCTION	151,233	646,947	505,148	+ 28
ALL BUILDINGS	126,132	524,170	397,694	+ 32
Residential buildings	79,026	320,692	244,994	+ 31
Nonresidential building	47,106	203,478	152,700	+ 33
PUBLIC WORKS AND UTILITIES	25,091	122,777	107,454	+ 14

RETAIL TRADE

Sales hanging high. With new records for production, employment, income, and expenditures continuing to be set, retail sales held at high levels during May and early June. Business optimism and consumer confidence ride high, except in agricultural regions. Rains in drouth areas of the Southwest have improved buying tendencies there. Sales increases in the Southwest surpassed the national average in 19 of the first 24 weeks of 1955. Much of the sales impetus has attached to the volume of new automobiles, moving at a monthly rate of 600,000 or more for

Retail Sales in Texas



the fourth consecutive month. Even used cars have been selling at a rate 25% higher than in 1953 or 1954. Their price structure has been considerably less weak than was true last year.

Larger-than-usual gains appeared in various lines of women's apparel. Children's wear sold briskly until early June, then fell off. Men's summer clothing has maintained a strong pace, also shoes and athletic goods. Numerous lines of household goods have continued to sell well, especially case goods, outdoor furniture and barbecue equipment, refrigerators, washers, and dryers. Home repair and decorating supplies moved well. Retail sales of fans, air conditioners, and television sets have been disappointing.

ESTIMATES OF TOTAL RETAIL SALES

Type of store	Sales (mils of dols)		Percent change		
	May 1955	Jan-May 1955	May 1955 from Apr 1955	May 1955 from May 1954	Jan-May 1955 from Jan-May 1954
TOTAL	931.0	4,420.5	+ 1	+ 12	+ 12
Durable goods	357.6	1,665.2	+ 5	+ 20	+ 21
Nondurable goods	573.4	2,755.3	− 1	+ 8	+ 7

Food sales were strong until mid-June. Nationwide, about 7.5% more merchandise has been sold than in the early part of 1954 and 5% more than at the earlier peak of 1953. Much of the retail "boom" has concerned itself with luxury-type goods. Many higher price tags have been accepted, although with a careful eye to better quality and value.

Market brisk. Attendance at wholesale markets and orders placed there have remained well above last year's levels. Considerable fall business was reported, and earlier than last year, besides active reordering of men's summer clothing, which had evidently been stocked too sparingly. Buyers responded well to showings of women's fall apparel in New York, Los Angeles, and Chicago. Orders were earlier and larger: up 25% for fur goods, ahead 15% to 25% for other apparel lines, 5% higher for household goods, and 4% to 6% stronger on nondurable goods, such as draperies and curtains. Increased prices were posted for carpets. Ordering of heavy appliances and television sets improved in late May. Demand for colored ranges, refrigerators, and washers proved smaller than expected and demand for white models, larger. Air conditioners were ordered more actively in early June. Little inventory accumulation has occurred among retailers except for stocks of new automobiles. These reached an all-time high of about 757,000 on May 1. Some seasonal slowness is expected for a few weeks, but firm plans are evident for an expected strong fall upturn. A record volume of vacation travel is under way.

Tightening credit terms and greater selectivity as to risks are reported from some areas, thus reflecting the huge demand for funds. Sales volume appears to be but little affected. Home mortgage credit in the first quarter doubled its 1954 volume for that period. Loans on cars declined about $475 million in the first quarter of 1954 but rose about $650 million this first quarter.

Survey of Texas trade. In Texas, with 3,197 retailers reporting, May sales bettered April's by 1% and topped last May's by 12%, as compared with a national average gain of 8%. There was also a 12% increase for January-May over those months of 1954. Durable goods continued to make substantially larger contributions to increased volume (+20% in May).

Retail lines averaging the largest increases over April included farm implement dealers (+48%) and jewelry stores (+18%). Sales in apparel lines (−7% to −22%)

CREDIT RATIOS IN DEPARTMENT AND APPAREL STORES

Classification	Number of reporting stores	Credit ratios*		Collection ratios†	
		May 1955	May 1954	May 1955	May 1954
ALL STORES	68	62.8	61.9	38.6	39.6
BY CITIES					
Austin	4	62.2	60.3	53.7	50.6
Cleburne	3	37.3	37.9	41.2	46.1
Dallas	7	57.5	61.5	50.2	48.6
El Paso	3	59.5	59.2	33.7	32.1
Fort Worth	3	67.0	64.0	33.4	36.0
Galveston	5	61.0	59.9	47.2	50.5
Houston	5	67.2	64.6	31.8	33.7
San Antonio	6	63.1	62.2	41.4	46.4
Waco	5	60.1	59.0	51.0	53.4
All others	27	60.2	58.0	45.9	41.0
BY TYPE OF STORE					
Department stores (over $1 million)	20	63.3	62.5	36.6	37.7
Department stores (under $1 million)	18	46.8	44.1	45.4	46.6
Dry goods and apparel stores	6	73.8	70.9	55.9	57.2
Women's specialty shops	14	61.8	61.1	46.7	45.2
Men's clothing stores	10	64.6	63.8	49.2	54.6
BY VOLUME OF NET SALES (1954)					
Over $3,000,000	20	63.7	63.0	37.3	38.4
$1,500,000 to $3,000,000	5	60.1	59.6	54.7	54.9
$500,000 to $1,500,000	16	58.8	57.0	49.7	50.9
$250,000 to $500,000	11	49.5	47.4	43.9	44.6
Less than $250,000	16	45.9	43.2	44.4	46.7

*Credit sales as a percent of net sales.

†Collections during the month as a percent of accounts unpaid on the first of the month.

RETAIL SALES TRENDS

Source: Bureau of Business Research in cooperation with the Bureau of the Census, U. S. Department of Commerce

Group	Number of reporting establishments	Percent change: May 1955 from Apr 1955	May 1955 from May 1954	Jan-May 1955 from Jan-May 1954
KIND OF BUSINESS				
DURABLE GOODS				
Automotive stores	279	+ 6	+ 31	+ 35
Furniture and household appliance stores	138	+ 6	+ 12	+ 10
Lumber, building material, and hardware stores	331	+ 3	+ 16	+ 18
NONDURABLE GOODS				
Apparel stores	235	— 11	+ 6	+ 5
Drug stores	194	x	+ 6	+ 6
Eating and drinking places	142	+ 2	— 3	— 1
Filling stations	1,136	+ 1	+ 22	+ 17
Food stores	303	— 1	+ 3	+ 2
General merchandise stores	217	— 3	+ 8	+ 9
Other retail sale stores	222	+ 4	+ 2	+ 6
CITY-SIZE CLASS (1950)				
Over 250,000	1,610	+ 1	+ 16	+ 19
100,000 to 250,000	221	— 11	+ 12	+ 17
50,000 to 100,000	260	+ 2	+ 18	+ 20
2,500 to 50,000	965	+ 4	+ 16	+ 14
Under 2,500	141	+ 6	+ 1	+ 4

xChange is less than one-half of one percent.

fell sharply from earlier spring peaks. Best gains over last May included motor vehicle dealers (+32%), filling stations (+22%), lumber, building material, and hardware stores (+16%), furniture stores and men's and boys' clothing stores (each +14%), and office, store, and school supply dealers (+12%). Comparing the first five months of 1955 with the same period of 1954, leading increases were shown by motor vehicle dealers (+37%), lumber and building material dealers (+20%), filling stations (+17%), furniture stores (+13%), and department, hardware, and jewelry stores (each +11%).

Reporting by cities, 320 Texas department and apparel stores averaged a 6% drop from April but topped by 8% both May 1954 and January-May 1954. Of the 36 cities reporting, five bettered April, 24 topped last May, and 26 were ahead of January-May 1954. In the May-to-May comparison, largest gains were at Lubbock (+20%), McAllen (+19%), Port Arthur (+16%), Denison and Fort Worth (each +14%), Snyder (+12%), Houston and San Antonio (each +10%), and Temple (+9%). Leaders for the five months, January-May, were Lubbock (+25%), McAllen (+20%), Fort Worth (+15%), Temple (+12%), and Port Arthur (+10%).

Of the 34 cities reporting enough retailers of various types to be listed individually, 20 rose from April, 26 surpassed last May, and 30 exceeded January-May 1954. Topping May 1954 were Big Spring (+82%), McAllen (+42%), Amarillo (+28%), Beaumont, Brownsville, and Lubbock (each +24%), Denison (+16%), Henderson (+20%), and Houston, Sherman, Waco, and Wichita Falls (each +17%). Many other towns showed smaller gains. Bettering the first five months of 1954 were Big Spring (+44%), Lubbock (+37%), Amarillo (+34%), McAllen (+33%), Dallas (+20%), Brownsville (+18%), and Corpus Christi, Denison, El Paso, Houston, and Temple (each +16%).

The May ratio of credit sales to total retail sales in 68 Texas department and apparel stores stood at 62.8% as compared with 61.0% in December, 64.4% in March, and 61.9% last May. The average collection ratio for May was 38.6%, as against 45.5% in December and 39.6% last May. Largest collection ratios were reported from Austin (53.7%), Waco (51.0%), and Dallas (50.2%). By type, dry goods and apparel stores had the highest collection ratio, 55.9%. Improvement over collection ratios of May 1954 was made at Austin, Dallas, and El Paso.

Secondary trade indicators. Advertising linage in 30 Texas newspapers averaged 6% over April and 15% over last May. Of the 30 papers, 23 topped April and 25 surpassed last May. Postal receipts for 120 Texas cities exceeded April by 9% and last May by 15%. Of the 120 cities, 65 outdistanced April and 84 were ahead of May 1954.

A. HAMILTON CHUTE

POSTAL RECEIPTS

City	May 1955	Apr 1955	May 1954	Percent change: May 1955 from Apr 1955	May 1955 from May 1954
TOTAL*	$6,504,611	$5,945,762	$5,655,018	+ 9	+ 15
Arlington	16,299	16,172	12,954	+ 1	+ 26
Bastrop	1,392	1,401	2,053	— 1	— 32
Bay City	8,588	7,806	7,740	+ 10	+ 11
Belton	5,479	5,937	4,914	— 8	+ 11
Brownfield	6,209	6,672	6,110	— 7	+ 2
Cameron	8,083	8,774	7,951	— 8	+ 2
Cleburne	11,597	11,452	10,620	+ 1	+ 9
Coleman	5,038	5,081	5,188	— 1	— 3
Crystal City	2,446	2,425	2,160	+ 1	+ 13
Cuero	3,933	4,201	3,584	— 6	+ 10
Denton	22,550	22,500	20,066	x	+ 12
El Campo	7,081	7,166	7,270	— 1	— 3
Gainesville	12,439	10,053	9,893	+ 24	+ 26
Gatesville	3,439	3,353	3,313	+ 3	+ 4
Gilmer	3,147	3,396	4,542	— 7	— 31
Graham	5,624	5,723	5,256	— 2	+ 7
Granbury	2,290	2,302	2,118	— 1	+ 8
Grand Prairie	15,750	15,131	12,610	+ 4	+ 25
Hillsboro	4,849	5,070	5,033	— 4	— 4
Huntsville	4,961	8,955	5,971	— 45	— 17
Jacksonville	9,619	12,038	11,392	— 20	— 16
Kenedy	2,709	2,892	3,190	— 6	— 15
Kerrville	7,602	7,442	7,872	+ 2	— 3
Kingsville	10,616	9,995	9,547	+ 6	+ 11
Kirbyville	1,587	1,977	1,994	— 20	— 20
La Grange	3,011	3,751	3,441	— 20	— 12
Littlefield	4,082	4,939	5,051	— 17	— 19
Luling	2,772	3,312	2,792	— 16	— 1
McCamey	2,803	2,149	2,408	+ 30	+ 16
Marlin	5,794	5,112	5,153	+ 13	+ 12
Mission	6,075	6,324	5,823	+ 4	+ 4
Paris	14,510	14,446	13,293	x	+ 9
Pasadena	19,212	20,025	15,828	— 4	+ 21
Pecos	8,080	7,254	7,115	+ 11	+ 14
Pittsburg	3,000	2,658	2,450	+ 13	+ 22
San Marcos	10,306	9,841	9,901	+ 5	+ 4
Taft	1,998	1,979	2,062	+ 1	— 3
Terrell	5,371	5,616	5,225	— 4	+ 3
Vernon	8,677	9,686	8,284	— 10	+ 5
Waxahachie	8,306	7,621	8,606	+ 9	— 3
Yoakum	8,439	9,011	9,580	— 6	— 12

*The total includes receipts for cities which are listed individually under "Local Business Conditions."

xChange is less than one-half of one percent.

FINANCE

Expanding business in Texas during the past 12 months has made necessary the use of greater amounts of bank credit. This expansion is reflected in the fact that loans of the weekly reporting member banks in the Eleventh Federal Reserve District were 16% higher in May than a year earlier. In all parts of the country the boom in business is calling for an increased amount of credit. In fact, the rising of the level of business has been so strong that signs are beginning to suggest that there is some concern that an excessive expansion in credit may be in the making.

CHANGES IN CONDITION OF WEEKLY-REPORTING MEMBER BANKS IN THE DALLAS DISTRICT

Source: Board of Governors of the Federal Reserve System

Item	Percent change: May 1955 from Apr 1955	May 1955 from May 1954	May 1954 from Apr 1954
ASSETS			
Loans and investments	x	+ 11	+ 1
Loans	+ 2	+ 16	x
Total U.S. Government securities	— 3	+ 8	x
Treasury bills	— 26	— 47	— 11
Treasury certificates of indebtedness	— 36	— 61	— 28
Treasury notes	+ 5	+ 40	+ 46
Bonds	— 1	+ 12	x
Other securities	— 1	+ 12	+ 8
Reserve with Federal Reserve Banks	— 7	— 6	+ 4
Cash in vaults	— 14	0	— 14
Balances with domestic banks	+ 5	+ 6	— 7
LIABILITIES			
Total deposits (except interbank)	+ 1	+ 11	x
Demand deposits (adjusted)	+ 1	+ 9	x
Time deposits	— 1	+ 13	+ 2
U. S. Government deposits	+ 19	+ 19	— 3
Interbank deposits	— 9	— 2	— 1
Domestic banks	— 9	— 3	x
Foreign banks	— 6	+ 70	— 23
CAPITAL ACCOUNTS	+ 2	+ 13	x

Percentage changes are based on the Wednesday nearest the end of the month.

xChange is less than one-half of one percent.

The demand for funds has come from many segments of the economy. The rising volume of business has called for more working capital, while the increased expenditures for plant and equipment require increases in long-term capital. Consumer credit outstanding reached a record level in April, spurred by the greatly increased purchases of cars and appliances. The mortgage market continued to absorb great amounts of credit as the building boom continued to set new records. Expenditures of state and local governments for the many needed projects contributed substantially to the demand for funds. The Dallas-Fort Worth toll-road bonds in the amount of $58,500,000 were sold at a net interest rate of 2.92805%, reported to be the best price ever received for a turnpike project not supported by public funds.

Federal Reserve allows credit tightening. It is inevitable that the market for loan funds should tighten under the greatly increased demand, and the fact that the Board of Governors of the Federal Reserve System has not made any moves to increase the supply of credit is significant, since it is possible to ease or tighten reserves whenever the Board considers it wise to do so. No move had been made by the third week in June to alter the situation in the money market. With the volume of business continuing to rise, some increase in interest rates during the coming months is to be expected if there is to be no easing of the reserve situation. The regular seasonal rise in the demand for credit is just ahead, and the failure of the Federal Reserve System to take steps to expand the volume of credit is tantamount to a tightening of credit.

Security prices under surveillance. The continued rise of the stock market is being watched more and more carefully, although the present level is generally not considered too high in comparison with past bull markets. After establishing a high of 430.64 on April 26, the Dow-Jones industrial average declined to 414.12 on May 17. Since that date it has been rising, and it closed at 444.38 on June 20.

JOHN R. STOCKTON

REVENUE RECEIPTS OF STATE COMPTROLLER

Source: State Comptroller of Public Accounts

Source	September 1–May 31: 1954–55	1953–54	Percent change
TOTAL	$637,365,420	$616,196,179	+ 3
Ad valorem and inheritance taxes	33,214,202	31,493,224	+ 5
Natural and casinghead gas production taxes	29,252,262	19,007,430	+ 54
Crude oil production taxes	97,311,999	96,075,653	+ 1
Telephone and utility taxes	3,752,780	3,429,918	+ 9
Insurance companies occupation taxes	20,057,771	18,477,259	+ 9
Net motor fuel taxes	88,888,119	83,724,933	+ 6
Cigarette tax and licenses	25,795,197	25,390,949	+ 2
Alcoholic beverage taxes and licenses	16,017,138	14,250,676	+ 12
Automobile and other sales taxes	16,466,714	13,778,462	+ 20
Franchise taxes	28,794,212	14,958,270	+ 92
Mineral leases, rentals, and bonuses	20,867,906	53,942,107	— 61
Oil and gas royalties	18,484,364	17,568,332	+ 5
Motor vehicle licenses, permits, and miscellaneous	39,077,256	38,464,920	+ 2
Federal aid—highways	27,331,451	19,916,968	+ 37
Federal aid—public welfare	88,511,289	87,892,822	+ 1
Unemployment compensation taxes	11,719,999	13,010,678	— 10
All other receipts	71,822,761	64,813,578	+ 11

FEDERAL INTERNAL REVENUE COLLECTIONS

Source: Internal Revenue Service, U.S. Treasury Department

Source and area	July 1–May 31: 1954–55	1953–54	Percent change
TEXAS	$1,911,165,520	$1,930,496,712	— 1
Income	995,728,522	979,281,336	+ 2
Employment	24,810,853	21,379,126	+ 16
Withholding	750,559,587	757,573,808	— 1
Other	140,066,558	172,262,442	— 19
FIRST DISTRICT	1,029,982,514	1,048,753,871	— 2
Income	535,278,222	541,807,015	— 1
Employment	4,535,521	4,748,418	— 4
Withholding	406,540,987	403,983,714	+ 1
Other	83,627,784	98,214,724	— 15
SECOND DISTRICT	881,183,006	881,742,841	x
Income	460,450,300	437,474,321	+ 5
Employment	20,275,332	16,630,708	+ 22
Withholding	344,018,600	353,590,094	— 3
Other	56,438,774	74,047,718	— 24

xChange is less than one-half of one percent.

INDUSTRIAL PRODUCTION

Texas aircraft manufacturers have secured a number of highly significant new contracts during the past month. Most recently the Convair Division of the General Dynamics Corporation at Fort Worth was awarded a contract for modification of a large number of C-54's into air rescue craft. TEMCO Aircraft Corporation, Dallas, will build several F-100D Super Sabre assemblies for the Columbus, Ohio, Division of North American Aviation, Inc. Work on the North American contract will be performed at TEMCO's Garland Plant beginning in July.

ELECTRIC POWER CONSUMPTION

Use	Consumption (thous kw-hrs) May 1955*	Apr 1955*	May 1954†	Percent change May 1955 from Apr 1955	May 1955 from May 1954
TOTAL	2,814,389	2,704,182	2,327,679	+ 4	+ 21
Commercial	383,494	337,286	326,927	+ 14	+ 17
Industrial	1,929,578	1,865,588	1,554,173	+ 3	+ 24
Residential	454,783	449,701	339,019	+ 1	+ 34
Other	46,534	51,607	107,560	— 10	— 57

*Preliminary—based on reports of 10 electric power companies, leveled to Federal Power Commission estimates by the Bureau of Business Research.

†Revised to preliminary Federal Power Commission data.

TEMCO's subcontracting activities have included work for Boeing, Lockheed, McDonnell, Republic, and its Grand Prairie neighbor, Chance-Vought. The addition of another major plane producer to the list is considered significant.

These two contracts in addition to those already under way at the Texas plants will help stabilize employment in aircraft manufacturing at higher levels than had been anticipated earlier in the year.

Sold: Texas rubber plants. If Congress and the United States Attorney General approve, the last of the government-owned synthetic rubber plants in Texas will be sold to the United Carbon Company of Charleston, West Virginia, a newcomer in the field of rubber manufacture. Sale price for the 44,000-ton Baytown copolymer plant will be $7,153,000. When the Texas rubber plants were put up for sale last year, there was only one bidder for the Baytown facility. Government authorities felt that the General Tire and Rubber Company offer of $2.5 million was too low and moved to place the plant on stand-by status. However, citizens of the Baytown and Houston areas and Texas Congressmen initiated action to have the government readvertise the plant for sale. The government agreed, and the United Carbon bid was accepted.

WELL COMPLETIONS

Source: *The Oil and Gas Journal*

Region	May 1955* Oil	Gas	Dry	Total	January-May 1955	1954
ALL TEXAS	968	56	546	1,570	7,921	7,267
Southwest	124	10	83	217	1,235	977
Gulf Coast	90	10	100	200	1,047	1,102
East	29	7	30	66	385	489
North Central	382	7	243	632	2,847	2,670
West	284	5	83	372	2,000	1,630
Panhandle	59	17	7	83	407	399

*For four weeks ending May 28, 1955.

Sale of the government-owned plants has broken the near monopoly in butadiene production held by petroleum companies. In the past petroleum companies operated over 95% of petroleum-butadiene capacity; their share now amounts to about 62%. Oil companies remain in control of butyl rubber production. About one-third of the nation's copolymer capacity is now controlled by oil companies; previously, only Phillips Chemical Company operated a copolymer plant.

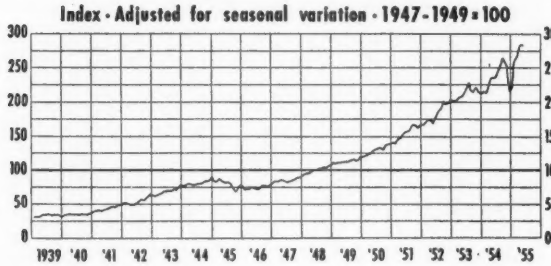
Considerable expansion in Texas production capacity for the various synthetic elastomers may be on the way. Petro-Tex, a company jointly owned by Tennessee Gas Transmission Company and the Food Machinery and Chemical Corporation, has already announced plans to increase output of the 90,000-ton Houston plant formerly operated by Sinclair Rubber, Inc.

On the other hand, with some butadiene plants no longer tied to supplies of refinery gases and with copolymer plants no longer tied to fixed supplies of butadiene, competition for raw materials can be expected to increase. More copolymer will now be selling on the open market than to captive outlets.

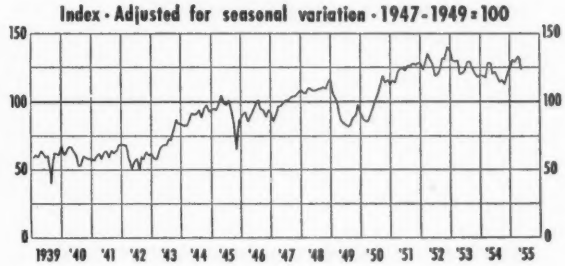
The President's Materials Policy Commission anticipates that world consumption of rubber will double by 1975. About half the 1975 demand is expected to be supplied by synthetic; therefore, substantial expansion in capacity will have to be made, possibly much of it in Texas. One new Texas butadiene plant is now in the planning stages.

Texas containers for Texas markets. Growing importance of market-oriented manufacture in Texas has been highlighted by the attraction of several container manufacturing plants during the past year. International Paper, Dairy-Pak, and Kieckhefer have established plants

Total Electric Power Use in Texas



Crude Oil Production in Texas



REFINERY STOCKS

Source: *The Oil and Gas Journal*

Area and product	Stocks (thous of bbls) May 1955	Apr 1955	May 1954	Percent change May 1955 from Apr 1955	May 1955 from May 1954
UNITED STATES					
Gasoline	168,985	176,759	172,855	— 4	— 2
Distillate	84,345	67,635	71,224	+ 25	+ 18
Residual	44,359	43,887	46,433	+ 1	— 4
Kerosene	26,344	21,012	23,416	+ 25	+ 13
TEXAS					
Gasoline	29,543	31,823	30,016	— 7	— 2
Distillate	11,035	8,359	8,290	+ 32	+ 33
Residual	5,570	5,211	5,538	+ 7	+ 1
Kerosene	3,644	2,803	3,534	+ 30	+ 3

Figures shown are for the Friday nearest the end of the month.

to make paper milk cartons at Waco, Fort Worth, and Garland, respectively. Bags for the packaging of fruit and vegetables are being manufactured in a new plant recently put into operation at Elsa by Texas Plastics, Inc.

Officials of American Can Company announced last month that a plant at Arlington in Tarrant County near the center of the Dallas-Fort Worth industrial complex would be built this year. This plant will be American's second Texas factory; one has been operated in Houston for several years. Addition of these plants emphasizes the growth of markets in Texas already served by such container makers as Gaylord, Cummer-Graham, Thompson Can, Continental Can, Bemis Bag, Container Corporation of America, Owens-Illinois Glass, and the Knox Glass Bottle Company of Mississippi, among many others.

The fact that Texas factories produce containers made of glass, cloth, wood, cardboard, polyethylene, plastic, metal, and paper is not only important to the servicing of regional markets but is a definite attraction for factories to come to the Southwest. Containers are usually too bulky to be shipped economically over long distances. A container plant can best serve the market when it is located near enough to its customers to keep in close touch with them. Most companies specializing in container output maintain a special research and design staff for the purposes of serving the special needs of their customers.

Industrial briefs. A report recently submitted to the House Appropriations Committee by the Corps of Engineers is of importance to Texas shippers who use the Gulf Intracoastal Waterway. According to the report, the ratio of benefits to costs for the Intracoastal Canal is 14.8 to 1, a much higher ratio than for other waterways. This means that savings in transportation costs to users of the canal amount to $14.80 for every dollar expended

PETROLEUM AND GAS ACTIVITY

Source: State Comptroller of Public Accounts and Oil and Gas Division, Railroad Commission of Texas

Product	May 1955	Apr 1955	May 1954	Percent change May 1955 from Apr 1955	May 1955 from May 1954
CRUDE OIL					
Value (thous of dols)	245,020	254,697	237,803	+ 4	+ 3
Production (thous of bbls)	86,381	89,669	83,843	— 4	+ 3
Runs to stills (thous of bbls)	64,449	62,535	60,658	+ 3	+ 6
NATURAL AND CASINGHEAD GAS PRODUCED (value in thous of dols)	40,554	35,076	42,403	+ 16	— 4
SULFUR RECOVERED (long tons)	456	420	101	+ 9	+350

in the cost of its construction and maintenance. The national average for 12 of the nation's major waterways was 7 to 1. Benefit-cost ratio of the Gulf Waterway is twice as high as for the 12 major canals and nearly three times as high as the average for all.

First shipments of South African lithium ore destined for the new plant of American Lithium Chemicals at San Antonio have arrived at the Port of Corpus Christi. The ores are being stockpiled now for use when the plant goes on stream sometime in 1956.

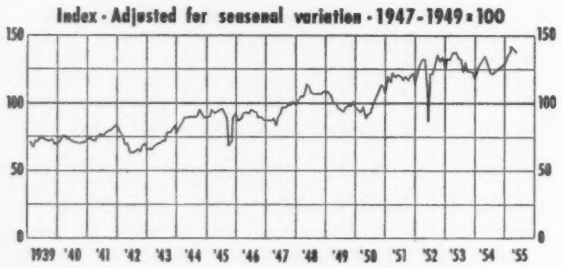
Alliance Ware, Inc. of Alliance, Ohio, will build a $1 million plumbing fixtures factory at Kilgore. The plant is to be constructed on property adjacent to that of the Kilgore Ceramics Corporation. Alliance Ware is a leading manufacturer of porcelain-on-steel bathtubs, steel sanitary ware, and tubs for washing machines. Metal shapes for the Kilgore plant will be formed at Alliance. Porcelain enameling of the shapes, including chemical preparation of the steel, welding, and other operations will be done at Kilgore. Products will be distributed throughout the Southwest.

Trailmobile, Inc., a subsidiary of the Pullman Company, has purchased the plant formerly occupied by Powers Manufacturing Company at Longview. Trailmobile will manufacture trailers and other automotive equipment at its new Texas plant.

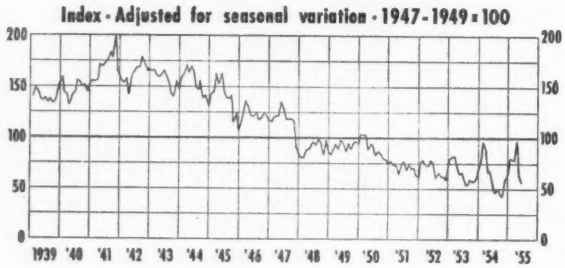
Pittsburgh Screw and Bolt Corporation made its first shipment from its new Longview factory in late May. The initial output of the plant consisted of pipe thread protectors and went to the pipe mill of Lone Star Steel at Lone Star.

STANLEY A. ARBINGAST

Crude Oil Runs to Stills in Texas



Dairy Products Manufacturing in Texas

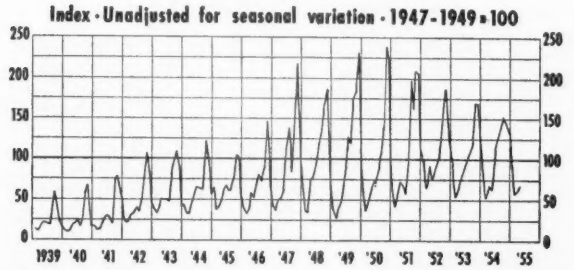


AGRICULTURE

Rain stimulates farm activity. Wheat harvesting was under way in counties of North Texas, the Cross Timbers, and the southern Low Rolling Plains in early June, following two weeks of rain over much of the state. Summer crop and pasture prospects were brightened by the most favorable June 1 statewide moisture reserves in several years. Tractors moved across Texas farms from early morning until late at night while farmers rushed planting, replanting, cultivating, hay baling, and combining operations. Although scattered showers in parts of the Plains area interrupted field work, the sun soon came out, and the tractors began to roll once more. It was one of the peak weeks of farm activity for the year.

Farm Cash Income in Texas

Index · Unadjusted for seasonal variation · 1947-1949 = 100



In sharp contrast, the Lower Valley and much of South Texas missed the showers, and the drouth remained unbroken. However, continued rain in other areas of the state brought with it some difficulties. As the first week in June ended, light to flooding rains in central and eastern counties stopped field work. Combining of Low Rolling Plains and Cross Timbers wheat was interrupted, with damage in some sections from hail and heavy rains. Rains also interrupted harvesting of small grains in North Texas. Some cotton in the extreme southern Low Rolling Plains and northern Edwards Plateau counties was damaged by a local sand storm. Heavy rains made further replanting necessary in the northwestern area.

Long-awaited thundershowers brought a good moisture supply to many Texas farms and ranches in June but also brought hordes of insects to threaten the crops. Aphids, boll weevils, grasshoppers, and other pests became a serious threat as the rain washed away poisonous insecticides. By mid-June, grasshoppers were numerous throughout North Texas counties and in the Rolling Plains region to the west. Aphids and boll weevils appeared in Central Texas and in the North Texas region where ranges and pastures were in excellent condition following the rains.

Over much of the Plains area, in eastern Cross Timbers and northern Edwards Plateau counties, farmers had difficulty in getting and maintaining a stand of cotton. Beating rains and hail were heavy enough to cause erosion, forcing farmers to replant cotton, some for the third time. Surviving early cotton in the northwest was growing well, and moisture was favorable except in parts of the southern High Plains and in South Texas where the drouth continued. Trans-Pecos cotton made good growth as the weather warmed up. South central and upper coastal cotton was blooming profusely.

Range and pasture feed continued to improve in counties of the Low Rolling Plains, Cross Timbers, and Blacklands, as frequent light to heavy rains maintained moisture. But in much of the southern High Plains grass has stopped growing, and moisture is again needed. More rain is also needed to start summer grass in the western Plateau, Trans-Pecos, and extreme southern counties. By late June, a lush supply of green feed was available in eastern Texas, but moisture was getting short and growth slowing, particularly in Northeast Texas.

As the month moved toward a close, combining of oats was progressing rapidly in commercial areas of North Texas. Baling of alfalfa in the High Plains and first cutting of hay meadows over a wide area were active. Planting of sorghums in extreme northern High Plains counties became active, and seeding will gain momentum in

CARLOAD SHIPMENTS OF FRUIT AND VEGETABLES

Source: Compiled from reports received from Agricultural Marketing Service, U.S. Department of Agriculture

Item	January-May 1955	January-May 1954	Percent change
TOTAL SHIPMENTS	22,147	24,347	— 9
FRUIT	1,892	2,219	— 15
Cantaloupe	1,785	1,977	— 10
Honeydews	105	17	+520
Watermelons	2	225	— 99
VEGETABLES	16,287	18,592	— 12
Cabbage	1,908	2,287	— 17
Carrots	4,340	4,059	+ 7
Corn	233	480	— 51
Cucumbers	16	52	— 69
Onions	3,773	3,950	— 4
Tomatoes	1,586	2,600	— 39
Mixed vegetables	4,431	5,164	— 14
ALL OTHER	3,968	3,536	+ 12

FARM CASH INCOME

Commodity	January-May 1955	January-May 1954	Percent change
	Value (thousands of dollars)		
TOTAL	555,710	542,803	+ 2
Cotton	132,036	137,844	— 4
Wheat	15,716	8,763	+ 18
Oats	2,338	2,188	+ 11
Corn	3,376	2,992	+ 11
Grain sorghum	16,693	16,271	+ 10
Flaxseed	1,537	3,820	— 60
Peanuts	3,279	2,823	+ 12
Cattle	139,242	133,592	+ 4
Calves	36,334	36,161	+ 1
Hogs	30,760	36,275	— 15
Sheep and lambs	14,132	13,593	+ 4
Wool	5,002	5,959	— 16
Mohair	6,970	4,813	+ 45
Poultry	22,176	20,422	+ 9
Eggs	32,724	32,609	+ 1
Milk and milk products	50,532	48,061	+ 5
Fruit and vegetables	42,863	36,617	+ 17

Farm cash income as computed by the Bureau understates actual farm cash income by from 6% to 10%. This situation results from the fact that means of securing complete local marketings, especially by truck, have not yet been fully developed. In addition, means have not yet been developed for computing cash income from all agricultural specialties of local importance in scattered areas. This situation does not impair the accuracy of the index shown on page 24.

southern counties of the High Plains as cotton planting winds up.

Cotton surplus solution offered. "Texas cotton growers should produce the kind of cotton manufacturers want, and they should price cotton surplus qualities more realistically." These two ways to solve the cotton surplus problem in Texas and the Southwest were offered by Lamar Fleming, Jr., member of President Eisenhower's Cotton Advisory Board, at the June 2–4 meeting of the American Cotton Congress in Harlingen. Fleming is chairman of the board of Anderson, Clayton and Company of Houston.

Fleming said most of Texas and Oklahoma continues to produce unwanted 15/16-inch and shorter fiber cotton, and the Upper Rio Grande and Pecos Valleys of Texas and New Mexico continue to produce unwanted qualities of 1⅛-inch and longer. The big demand, he said, is for 1 1/32-inch fiber cotton. The speaker gave two major reasons for this continued unwanted production: Texas cotton farmers are not fully advised about the changes in demand and the changes to make in variety plantings, and government loan rates for 15/16-inch and shorter and for 1⅛-inch and longer cottons made production of them appear to be the most profitable activity for many southwestern farmers.

Fleming warned that if the Southwest continued to overproduce unwanted qualities, other states might propose another scheme of regimentation that would restrict producers of surplus qualities and release the producers of scarce and unwanted qualities. He said the Southwest may get a dangerous reaction from the rest of the Cotton Belt when "the inevitable realization comes of impending acute scarcity of the qualities which they produce, and which mills principally want, combined with continued severe acreage restrictions resulting from a continued tremendous surplus in the Southwest of qualities of which mills' needs are relatively small."

Black fly invades Texas. One of the most troublesome and costly pests known to the citrus industry, the citrus black fly, was spotted on a tree outside a Brownsville tourist court in early June. The U. S. Department of Agriculture said the fly apparently had been carried across the Rio Grande by automobile.

N. O. Berry, a USDA insect expert, said the black fly, not much bigger than a large gnat, had never been found before in Texas, although many years ago it had invaded the citrus producing area around Key West, Florida. The black fly was eradicated there through a very expensive spraying program.

Spraying began immediately in Brownsville, and Berry hoped the insect's spread would be prevented in the Valley. Two light infestations were reported more than a year ago in northern Mexico, one near Matamoros and the other around Nuevo Laredo. The Mexican government has spent millions of pesos trying to destroy the pest, and the United States has given considerable aid in that effort.

Cotton fiber testing lab to open. A cotton fiber testing laboratory to serve the Lower Rio Grande Valley will open in Brownsville on July 1. Officials of the firm, the United States Testing Company, said key personnel from Dallas and Memphis branches will be transferred to Brownsville for the peak movement of the cotton crop. The laboratory will give 24-hour service.

The Brownsville branch will be located in a new 1,200-square foot building designed solely for accommodating larger-scale fiber testing. The building is insulated throughout and has complete humidity and temperature controls.

Company officials said the expansion demonstrates the importance now being placed on fineness tests on individual bales of cotton and the fact that this information must be reported daily to meet the rapid movement of the crop. The company will issue a certification of fineness that will travel with the weight and original warehouse number. The test for fineness will be carried out at no cost to the owner, upon his request, as the cotton is received at the warehouse. However, costs of additional testing to determine length, strength, or maturity will be charged to the owner.

ANNE K. SCHULER

INDEXES OF PRICES RECEIVED BY FARMERS

(1909–14 = 100)

Source: Agricultural Marketing Service, U. S. Department of Agriculture

Index	May 1955	Apr 1955	May 1954	Percent change: May 1955 from Apr 1955	Percent change: May 1955 from May 1954
ALL FARM PRODUCTS	260	267	272	— 3	— 4
ALL CROPS	255	255	254	0	x
Food grains	233	230	229	+ 1	+ 2
Feed grains and hay	200	195	197	+ 3	+ 2
Potatoes and sweet potatoes	308	316	215	— 3	+ 43
Fruit	119	119	83	0	+ 43
Truck crops	315	348	363	— 9	— 13
Cotton	260	255	259	+ 2	x
Oil-bearing crops	274	279	260	— 2	+ 5
LIVESTOCK AND PRODUCTS	267	283	297	— 6	— 10
Meat animals	293	319	344	— 8	— 15
Dairy products	235	235	226	0	+ 4
Poultry and eggs	213	218	202	— 2	+ 5
Wool	286	304	366	— 6	— 22

xChange is less than one-half of one percent.

CARLOAD SHIPMENTS OF LIVESTOCK*

Source: Bureau of Business Research in cooperation with Agricultural Marketing Service, U. S. Department of Agriculture

Classification	May 1955	Apr 1955	May 1954	Percent change: May 1955 from Apr 1955	Percent change: May 1955 from May 1954
TOTAL SHIPMENTS	5,100	7,115	4,543	— 28	+ 12
Cattle	3,995	6,005	3,463	— 33	+ 15
Calves	430	503	420	— 15	+ 2
Hogs	5	2	9	+150	— 44
Sheep	670	603	651	+ 11	+ 3
INTERSTATE	4,880	6,734	4,214	— 28	+ 16
Cattle	3,815	5,722	3,212	— 33	+ 19
Calves	405	433	385	— 6	+ 5
Hogs	2	0	1	.....	+100
Sheep	658	579	616	+ 14	+ 7
INTRASTATE	220	381	329	— 42	— 33
Cattle	180	285	251	— 37	— 28
Calves	25	70	35	— 64	— 29
Hogs	3	2	8	+ 50	— 62
Sheep	12	24	35	— 50	— 66

*Rail-car basis: cattle, 30 head per car; calves, 60; hogs, 80; and sheep, 250.

The Rio Grande

Climate, soils, minerals — all these are positive factors in the development of the Rio Grande area. With faster transportation and more reliable water supplies now being engineered, the Valley's two greatest limitations are losing out to progress.

FOR almost 890 miles along the Texas border flows the Rio Grande. From El Paso it snakes through desert valleys, high gorges, and finally, thick with silt, meanders across the green coastal plain to the Gulf. But for all its fame and all its economic importance to the state and nation, few Texans see the Rio Grande, except where it flows through widely scattered population clusters. Broad plains and mountains, nearly unpeopled, isolate the Rio Grande Basin from the Texas heartland.

Few geographers or economists consider a river drainage basin to be a basic region of land. They delineate their units in terms of soils, vegetation, or economic homogeneity But in Texas, where homes and farms, factories and defense units over much of the state depend on impounded surface water supplies, there is a growing tendency to regard drainage areas of rivers as economic units.

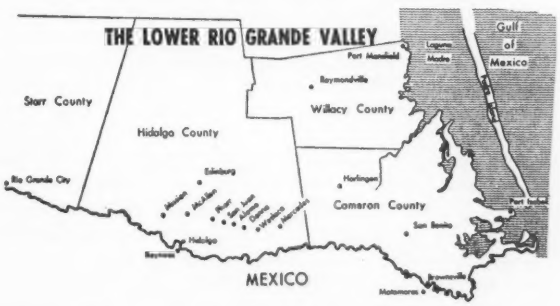
Nowhere in the state are Texans more dependent on a stream than in the Rio Grande Basin, for there the river is both a borderline and a lifeline. These southwestern counties have more in common than their peripheral location and their dependence on the river. They are almost all too dry for easy human occupancy. Their agricultural activities are much the same—irrigation, dry farming, and ranching. With one or two obvious exceptions, such as citrus fruit, their crops are somewhat alike. All the area is mineralized to some degree. Most of the counties are quite dependent on tourism as a source of income, and all have been liberally exposed to Latin-American cultural influences. Even many of their manufacturing specialties are similar.

Differences between the counties of this area, however, are almost as numerous as their resemblances. The topography of the land which lies between El Paso and Eagle Pass is much more rugged than along the lower course of the river. Population density varies widely. The length of the growing season increases as one proceeds southeast along the river, and vegetation changes as the stream flows on.

OVER 200,000 square miles are drained by the Rio Grande; of these, 40,600 are in Texas. True, much of this Texas land is desert and much is rugged and mountainous, so its economic value to the state has some limitations. Yet considerable acreages (over 700,000 acres) are irrigated, and crop yields received from the rich alluvial soils are among the nation's highest. The scanty but nutritious grasses of the Rio Grande rangelands support a substantial livestock industry. The number of animals that the land can support is limited by aridity. But grasses that do grow in the basin draw a rich mineral content from the relatively unleached soils. Much of the Texas land drained by the Rio Grande has less than 10 inches of rainfall each year, and most of it receives less than 20 inches.

The disadvantage of dryness is offset, however, by the mild, clear climate that goes with it. In the Valley there is almost always the sun—not always as much water as might be wanted, but always the sunlight, burning, intense in the highlands, thinly veiled with white sea mist in the Lower Valley. Tourists flock south every winter (and in the summer, too) to enjoy the crisp, warm air of the area. The climate has also influenced the establishment of military training facilities in the basin. Weather and terrain both favor ground and air training and the testing of planes and other military equipment.

Population along the Texas side of the river is generally sparse. There are, however, three major clusters. The most populous of these is the area between Rio Grande City and Brownsville along the lower course of the river. (See map below.) The four counties of Starr, Willacy, Hidalgo, and Cameron near the mouth of the stream are collectively known as the Lower Valley and are often referred to as "The Valley." Although not officially classified as a metropolitan area, cities of the Lower Valley are so close together they appear as one big attenuated city with a series of shopping centers spaced through the city's core. A second concentration is found at Laredo, and the third is at El Paso, near where the river enters Texas from New Mexico. Smaller agglomerations occur at Eagle Pass and Del Rio. The population nodes at the two Texas extremes



of the river's channel are among the fastest growing in Texas. Together they account for roughly 7% of the state's population. El Paso's metropolitan population is now estimated at approximately 250,000, and the Lower Valley contains about 400,000. Away from the river but within its drainage area are Pecos, Fort Stockton, Alpine, and Marfa, none of which exceeded 10,000 in 1950.

ALTHOUGH manufacturing income contributes increasingly to the economic base of the area, agriculture still yields the largest segment, except at El Paso, and is quite likely to dominate for some years to come. Cotton, citrus, vegetables, alfalfa, and melons account for the largest acreages. Although some dryland farming is carried on in the area, income from irrigation agriculture is far greater. Cotton grown along the river and its Texas tributaries compares favorably in quality with that grown in other similar environments. Emphasis on this crop has increased in recent years, because of the government price support program, diversification, and the high yields secured. The four counties comprising the Lower Valley harvested only 111,000 bales in 1945; in 1954 the total was 410,000 bales.

Vegetables grown here are in considerable demand, particularly in midwestern markets. The long growing season enables farmers in the region to plant early and thus to market their produce at strategic times. Two crops of vegetables, and often three or four crops, are grown on the same piece of land in a year. Since the Lower Valley has the longest growing season, such practices are naturally more common in that area. The flexibility that accrues to farmers from the long growing season is the envy of many who farm elsewhere in the nation. For example, if the price of a commodity already planted appears disappointing, a farmer can plow under that crop and replant with something for which the financial return seems more promising. It is this flexibility that has contributed so much to the prosperity of the farmers in that area.

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Although it is possible to mature fruit somewhat farther west, commercial citrus production is concentrated in the Lower Valley because the growing season is longer there. The quality of Texas citrus, particularly grapefruit, is held in high esteem throughout the nation. Recovery from the disastrous freeze of 1950–51 has been rapid. It is of interest that some of the Lower Valley's leading citizens believe that the freeze was really beneficial, despite the enormous losses suffered. Valley farmers were forced to diversify their crops to a far greater degree than had been customary in the past. Also, the citrus groves were replanted with better trees by improved methods, and the long-range effects of the replanting are expected to be very beneficial to the Lower Valley's economy.

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MINERAL extraction and related activities employ a substantial number of persons in the river basin. Oil and gas have been found in substantial quantities, and recent finds have added new reserves to the region's total. Mercury mines near Terlingua in Brewster County are the center of renewed interest now that mercury is commanding a high market price. Gold, silver, copper, lead, and zinc are known to exist in the El Paso area, but inaccessibility of deposits and low prices, combined with the marginal nature of some of the deposits, have resulted in lack of interest. However, they could conceivably become important in the future.

In addition to those minerals already mentioned, the Bureau of Economic Geology at The University of Texas reported in 1944 that in the basin there were also occurrences of limestone, caliche, salt, fluorite, sand and gravel, gypsum, drilling and burning clays, sulfur in the form of gypsite, tungsten, nitrates, marble and other building stones, novaculite, barite, mica, rhyolite, tuff, cement materials, and coals. These coals may have some potential value as chemical raw materials, especially the cannel coals of Webb County. While sporadic production of some of these minerals has occurred in the past, only a few are still being exploited. Yet almost all hold some promise for future development. Prospecting for uranium is active in the upper portion of the river basin but has not met with spectacular success.

Manufacturing in the Texas cities along the Rio Grande is heavily resource-oriented. However, the region is attracting a substantial concentration of apparel manufacture, a type of industry which is notably labor-oriented. There are, of course, examples of manufacturing operations which are either power-oriented or market-oriented, but with one or two exceptions they are typical of those which might be found in any American community.

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In general, industry in the basin is diversified, and chances for additional diversification are promising. It is rather difficult to forecast the trend of industry in any area, but the cities along the Rio Grande might well specialize in the manufacture of any product low in weight and high in value. In particular, producers of electronic equipment are likely to find the border cities to be prime locations for new plants. The manufacture of aircraft equipment and the overhaul and modification of planes are also types of industry suitable to the area. Air-conditioning and automotive equipment, ceramics, and novelties are other products which probably could be made economically in the region. Production to supply the various needs of the military installations in the region is also another possibility.

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50% with no decrease in crop yields. Civic leaders of the region have tagged the water situation as a problem which must be solved as soon as possible.

At present there is little possibility of bringing much additional land under irrigation, although large tracts are suitable for irrigation if water were available. Similarly, the chances for attracting large-scale industries using substantial quantities of water are limited. However, water shortages present no particular threat to domestic use in most municipalities. A solution of the problem may be some years in coming, and whether the solution will result in diverting water into the Rio Grande watershed from other streams or whether supplemental water will be secured from some other source is for the people of the basin and of all Texas to decide.

The practice of meeting seasonal peaks in labor demand through the importation of laborers from Mexico is another dilemma facing the people of the region. Chances for reaching a satisfactory settlement in this matter are considered good.

Relative isolation within the region, state, and nation because of border location is another problem, but it is one which is rapidly being overcome through modern means of transportation and communication. Fresh produce from the irrigated areas now reaches major consuming markets in an amazingly short period of time. Distribution of manufactured products has been speeded up enough that transportation is not considered to be a serious handicap to manufacturers operating in the cities. El Paso, at a major crossroads location, does not suffer in this respect, but in some other cities distribution problems have been a possible deterrent to the expansion of manufacture.

Even the most optimistic residents of the basin have been astonished at the rapid development of the area since World War II. And greater progress seems possible during the next decade.

STANLEY A. ARBINGAST

Bureau of Business Research Publications

Industrial Expansion in Texas
Second quarter, 1955

by Stanley A. Arbingast and Tina Piedrahita

A listing of new plants and plant expansions announced during April–June 1955, together with data on cost, number of employees, and products. Single copies free upon request; yearly subscription, fifty cents.

Texas Resources and Industries
Selected Maps of Distribution

by Stanley A. Arbingast,
Associate Professor of Resources

Forty-two maps delineate the distribution of manufacturing plants and the locations of raw materials used in Texas industry. Price, one dollar.

(Continued from page 5)

More house, more money. Higher home prices, builders say, often represent "more house" as well as costlier building. Some builders report adding a "half bathroom" to homes and charging more; buyers apparently consider the extras worth the premium price. The selling price of a home, like the cost of a car, is commonly subject to some adjustment, as the market may dictate. So even though a builder boosts his asking price, he may have to bypass the raise to make a sale, especially if there should be any drop in housing demand.

A Houston builder notes that he may "lower prices a little on the houses I have left, in order to sell." Most builders planning price rises blame higher lumber and labor costs, although some other expenses are up, too. Another Houston contractor relates that he is paying $120 for a thousand board feet of fir lumber, against $115 as recently as late May. And in July his water meter installation costs will jump to $55 from $35. So far builders have commonly been absorbing the higher cost of materials, but with labor costs rising and the cement shortage pointing to an increase in the cost of that product, prices are forced up all the way to the end of the line—the customer.

The concrete problem. Cement costs and shortages are a major problem for many builders. Some are getting their cement but paying stiff transportation charges for it. While builders generally say they are planning or pouring foundations at an undiminished rate, some report that they are slowing up a bit.

Due to an unseasonably mild winter, cement stockpiles normally available at the beginning of a construction season have been depleted during the past five months. Cement plants are producing at an all-time high. A new monthly U. S. production record was set in March with the output of 22.4 million barrels, representing operations at 90% of the total rated capacity for the industry. The 2.0 million barrels produced in Texas that month represented 97% of the state's capacity. U. S. shipments rose 64% from February to March. The 22.6 million barrels shipped (over 10% of which was from Texas) set a new record for the month. For the first three months of 1955 shipments in the United States reached 50 million barrels compared with over 5.6 million barrels shipped in Texas.

Other shortages develop. Fabricated structural steel may join cement on the "critical list" if bookings continue at the rate of the first four months of this year. Bookings during this period ran 10% ahead of shipments. A critical shortage of gypsum board is troubling homebuilders in many sections of the country. Some mills have had to resort to allocations to ease pressure of demand.

Construction offers more new jobs. Construction continues to hold the lead among nonmanufacturing industry groups. Substantial job additions that began in February are to be followed by more during the 60-day forecast period of the Texas Employment Commission. The number of workers now on construction jobs is already higher than at any time during 1954 and is 15% greater than in April 1954.

JO OVERSTREET

LABOR

Employment in Texas continued to rise steadily through June, and additional increases are predicted for July by Texas Employment Commission officials. Seasonal gains are anticipated in construction, cotton harvesting, ice cream factories, and soft drink bottling plants. After having lagged in the forepart of the year, manufacturing is expected to take the lead in job advances in mid-June and July.

Although total employment increased during May, a moderate decrease in employment and a sharp upswing in unemployment is in prospect for several labor markets. Corpus Christi, Lubbock, Port Arthur, and Texarkana registered decreases in employment during May. Dallas employment, after passing the year's peak of 318,470, began to level off by the middle of June in the usual summer slump. F. E. James, Dallas district TEC director, estimated employment may rise as high as 11,030 by mid-July because of the big influx of high school and college graduates seeking jobs. However, the employment level, highest so far this year, was 8,653 above the total at the same time last year. It is expected to run up toward 319,000 by the time schools reopen in September.

Employment gains were registered in Abilene, Amarillo, Austin, Beaumont, Longview, San Angelo, San Antonio, and Waco. At Amarillo a steady upturn during the past three months brought gains to practically all major industry groups and raised employment 2.3% above the May 1954 sum.

Austin recorded another new all-time high during May, when TEC officials estimated nonfarm employment at 64,780 workers, an increase of 3,555 over a year before.

In Houston, increasing employment and declining unemployment were accompanied by a general rise in wage rates. Of 114 job categories listed by the Employment and Wages Division of the Houston Chamber of Commerce Research and Statistics Committee, 86 showed wage rate increases, 18 showed wage decreases, and 10 were unchanged. All job classifications in the baking industry showed base pay increases, on the average, and most categories in the food-meat packing industry and chemical manufacturing industry likewise showed average gains.

TEC to study new contract. Attorneys for TEC report that the effect of unemployment benefits of Texas workers for Ford and General Motors will depend on a legal interpretation of the new contracts.

Lee Williams, attorney for TEC, maintains that the state unemployment act requires that in order to collect benefits, a Texas worker must be unemployed. An unemployed worker would be one who is collecting no regular compensation. Williams said the Attorney General probably will be asked for a ruling on the status of the payments of laid-off workers who continue to receive money from their employer.

Texas labor legislation. The Ford bill, growing out of a strike a few years ago in which workers in the Ford assembly plant at Dallas were idled by a strike of the same union in a Michigan plant, received final legislative approval and was sent to Governor Shivers.

The bill stops payment of unemployment benefits to persons made idle by a strike of fellow union members who supply parts and permits payments only to persons who can prove they are "not participating in or financing or directly interested in the labor dispute which caused the stoppage of work" and do not belong to the group engaged in the dispute.

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ESTIMATES OF NONAGRICULTURAL EMPLOYMENT

Source: Texas Employment Commission in cooperation with the Bureau of Labor Statistics, U. S. Department of Labor

Industry	Employment (thous)			Percent change	
	May 1955*	Apr 1955	May 1954	May 1955 from Apr 1955	May 1955 from May 1954
TOTAL	2,238.3	2,230.4	2,173.4	x	+ 3
TOTAL MANUFACTURING	431.7	425.3	422.2	+ 2	+ 2
Durable goods	203.9	200.7	197.4	+ 2	+ 3
Ordnance	2.5	2.6	3.8	— 4	— 34
Lumber and wood products	26.4	25.7	23.6	+ 3	+ 12
Furniture and fixtures	10.9	10.7	10.1	+ 2	+ 8
Stone, clay, and glass	15.6	15.5	15.0	+ 1	+ 4
Primary metals	25.4	25.1	23.8	+ 1	+ 7
Fabricated metal products	18.7	18.3	18.6	+ 2	+ 1
Machinery, except electrical	37.4	36.5	35.6	+ 2	+ 5
Electrical equipment	5.5	5.3	5.0	+ 4	+ 10
Transportation equipment	53.4	53.1	54.6	+ 1	— 2
Other durable goods	8.1	7.9	7.3	+ 3	+ 11
Nondurable goods	227.8	224.6	224.8	+ 1	+ 1
Food	62.6	59.6	62.3	+ 5	x
Textile mill products	8.0	8.1	8.8	— 1	— 9
Apparel	31.1	31.3	29.1	— 1	+ 7
Paper and allied products	7.3	7.2	7.2	+ 1	+ 1
Printing and publishing	25.9	26.0	25.5	x	+ 2
Chemicals and allied products	39.4	39.4	39.0	0	+ 1
Petroleum products	46.9	46.8	47.2	x	— 1
Leather and leather products	4.1	3.8	3.2	+ 8	+ 28
Other nondurable goods	2.5	2.4	2.5	+ 4	0
TOTAL NONMANUFACTURING	1,806.6	1,805.1	1,751.2	x	+ 3
Mining	122.6	122.0	120.9	x	+ 1
Petroleum and natural gas	115.1	114.5	113.5	+ 1	+ 1
Metal, coal, and other mining	7.5	7.5	7.4	0	+ 1
Contract construction	164.1	162.7	146.0	+ 1	+ 12
Transportation and utilities	220.5	219.2	219.6	+ 1	x
Interstate railroads	58.4	58.0	58.1	+ 1	+ 1
Other transportation	87.7	87.1	88.3	+ 1	— 1
Telephone and telegraph	35.4	35.2	35.5	+ 1	x
Public utilities	39.0	38.9	37.7	x	+ 3
Government	334.6	337.1	322.8	— 1	+ 4
Trade	598.2	599.1	581.4	x	+ 3
Wholesale trade	155.2	154.9	151.5	x	+ 2
Retail trade	443.0	444.2	429.9	x	+ 3
General merchandise	72.3	73.5	71.2	— 2	+ 2
Food and liquor stores	83.9	83.4	79.4	+ 1	+ 6
Automotive	49.8	49.6	49.2	x	+ 1
Apparel	29.1	31.1	28.6	— 6	+ 2
Other retail trade	207.9	206.6	201.5	+ 1	+ 3
Finance, insurance, and real estate	100.3	100.1	97.9	x	+ 2
Banks and trust companies	25.1	25.1	24.8	0	+ 1
Insurance	43.6	43.7	42.4	x	+ 3
Real estate and finance	31.6	31.3	30.7	+ 1	+ 3
Service and miscellaneous	266.3	264.9	262.6	+ 1	+ 1
Hotels and lodging places	25.8	25.7	26.1	x	— 1
Laundries and cleaners	30.3	29.9	30.1	+ 1	+ 1
Other business services	210.2	209.3	206.4	x	+ 2

xChange is less than one-half of one percent.
*Preliminary.

Local Business

City and item		May 1955	Percent change: May 1955 from Apr 1955	Percent change: May 1955 from May 1954
ABILENE (pop. 55,000[r])				
Retail sales			+ 6	+ 8
Department and apparel stores			— 6	+ 7
Postal receipts	$	71,407	+ 13	+ 15
Building permits, less federal contracts	$	1,367,757	— 23	+120
Bank debits (thousands)	$	69,523	+ 10	+ 34
End-of-month deposits (thousands)‡	$	59,025	+ 1	+ 13
Annual rate of deposit turnover		14.2	+ 9	+ 18
Employment		28,150	+ 1	+ 6
Manufacturing employment		3,200	+ 1	x
Percent unemployed		4.4	+ 7	— 15
ALICE (pop. 16,449[r])				
Postal receipts	$	10,426	— 4	— 5
Building permits, less federal contracts	$	220,752	+ 87	+350
Bank debits (thousands)	$	7,511	+ 2	— 35
End-of-month deposits (thousands)‡	$	11,286	— 3	— 17
Annual rate of deposit turnover		7.8	+ 22	— 23
ALPINE (pop. 5,261)				
Postal receipts	$	2,882	— 7	— 13
Building permits, less federal contracts	$	5,000	— 86	— 95
Bank debits (thousands)	$	2,223	+ 2	+ 5
End-of-month deposits (thousands)‡	$	3,868	— 3	— 2
Annual rate of deposit turnover		6.8	+ 5	+ 8
AMARILLO (pop. 108,034[r])				
Retail sales*			+ 5	+ 28
Automotive stores*			+ 3	+ 39
Department and apparel stores			— 9	x
Drug stores*			— 5	+ 3
Food stores*			— 3	x
Furniture and household appliance stores*			+ 8	+ 32
Lumber, building material, and hardware stores*			+ 25	+ 22
Postal receipts	$	131,087	+ 3	+ 12
Building permits, less federal contracts	$	2,644,929	+ 34	+110
Bank debits (thousands)	$	148,334	— 2	+ 23
End-of-month deposits (thousands)‡	$	108,318	+ 1	+ 12
Annual rate of deposit turnover		16.6	— 1	+ 11
Employment		44,400	+ 1	+ 3
Manufacturing employment		5,220	+ 2	+ 12
Percent unemployed		4.8	+ 2	— 6
AUSTIN (pop. 168,500[r])				
Retail sales			— 9	+ 11
Automotive stores			— 10	+ 21
Department and apparel stores			— 9	+ 5
Eating and drinking places			+ 3	+ 14
Food stores			+ 6	— 2
Lumber, building material, and hardware stores			— 17	+ 7
Postal receipts	$	248,839	+ 7	+ 16
Building permits, less federal contracts	$	4,247,868	+ 15	+ 20
Bank debits (thousands)	$	142,176	+ 5	+ 22
End-of-month deposits (thousands)‡	$	116,093	— 1	+ 9
Annual rate of deposit turnover		14.6	+ 4	+ 10
Employment		64,800	+ 1	+ 6
Manufacturing employment		4,540	+ 2	+ 9
Percent unemployed		3.2	— 6	— 24

City and item		May 1955	Percent change: May 1955 from Apr 1955	Percent change: May 1955 from May 1954
BAYTOWN (pop. 22,983)				
Postal receipts	$	14,691	— 11	— 7
Building permits, less federal contracts	$	493,455	+ 22	+290
Bank debits (thousands)	$	17,738	— 2	+ 8
End-of-month deposits (thousands)‡	$	22,938	— 8	+ 21
Annual rate of deposit turnover		9.1	0	— 8
Employment (area)		377,600	+ 1	+ 6
Manufacturing employment (area)		83,675	+ 1	+ 4
Percent unemployed (area)		3.3	— 6	— 23
BEAUMONT (pop. 104,416[r])				
Retail sales*			+ 4	+ 24
Automotive stores*			+ 8	+ 44
Department and apparel stores			— 5	x
Eating and drinking places*			x	— 10
Food stores*			+ 1	+ 1
Lumber, building material, and hardware stores*			+ 6	+ 45
Postal receipts	$	93,486	+ 18	+ 19
Building permits, less federal contracts	$	739,089	— 38	+ 57
Bank debits (thousands)	$	129,178	+ 9	+ 16
End-of-month deposits (thousands)‡	$	96,558	— 6	+ 2
Annual rate of deposit turnover		15.5	+ 11	+ 11
Employment (area)		81,100	x	+ 4
Manufacturing employment (area)		26,500	x	x
Percent unemployed (area)		6.2	— 2	— 6
BEEVILLE (pop. 10,500[r])				
Postal receipts	$	7,345	+ 5	+ 20
Building permits, less federal contracts	$	117,425	+ 10	+ 21
Bank debits (thousands)	$	7,669	+ 1	+ 21
End-of-month deposits (thousands)‡	$	12,432	— 2	+ 8
Annual rate of deposit turnover		7.3	+ 1	+ 11
BIG SPRING (pop. 20,654[r])				
Retail sales			+ 10	+ 82
Automotive stores			+ 19	+131
Department and apparel stores			— 9	+ 2
Lumber, building material, and hardware stores			+ 6	+ 15
Postal receipts	$	18,083	+ 13	+ 8
Building permits, less federal contracts	$	119,785	— 53	+140
Bank debits (thousands)	$	25,622	+ 6	+ 27
End-of-month deposits (thousands)‡	$	23,917	— 8	+ 4
Annual rate of deposit turnover		12.3	+ 10	+ 18
BORGER (pop. 18,059)				
Building permits, less federal contracts	$	150,478	+ 61	+200
Bank debits (thousands)	$	13,616	— 2	+ 24
End-of-month deposits (thousands)‡	$	14,807	— 1	+ 13
Annual rate of deposit turnover		11.0	— 1	+ 11
BRENHAM (pop. 6,941)				
Postal receipts	$	5,809	+ 12	+ 28
Building permits, less federal contracts	$	53,947	— 40	+ 13
Bank debits (thousands)	$	5,697	— 3	+ 2
End-of-month deposits (thousands)‡	$	10,362	— 2	+ 1
Annual rate of deposit turnover		6.5	— 2	0
BROWNSVILLE (pop. 36,066)				
Retail sales*			+ 12	+ 24
Automotive stores*			+ 15	+ 28
Lumber, building material, and hardware stores*			+ 15	+ 42
Building permits, less federal contracts	$	213,188	+ 76	+110

For explanation of symbols, see page 23.

Conditions

City and item	May 1955	Percent change: May 1955 from Apr 1955	Percent change: May 1955 from May 1954
BROWNWOOD (pop. 20,181)			
Retail sales		+ 6	+ 6
Automotive stores		+ 43	+ 10
Department and apparel stores		— 18	— 5
Furniture and household appliance stores		+ 19	+ 10
Postal receipts	$ 15,645	— 4	+ 5
Building permits, less federal contracts	$ 185,490	+4150	+900
Bank debits (thousands)	$ 10,540	+ 5	+ 13
End-of-month deposits (thousands)‡	$ 13,679	— 1	+ 5
Annual rate of deposit turnover	9.2	+ 6	+ 8
BRYAN (pop. 23,883[r])			
Retail sales*		+ 2	+ 2
Automotive stores*		— 9	+ 6
Department and apparel stores		+ 3	— 1
Food stores*		+ 6	— 15
Lumber, building material, and hardware stores*		+ 6	----
Postal receipts	$ 17,593	— 6	+ 3
Building permits, less federal contracts	$ 303,120	— 18	+180
CHILDRESS (pop. 7,619)			
Retail sales*		+ 11	+ 9
Automotive stores*		+ 14	+ 29
Department and apparel stores		— 11	+ 8
Filling stations*		+ 9	+ 7
Food stores*		— 2	+ 2
Lumber, building material, and hardware stores*		+ 26	— 11
Postal receipts	$ 4,082	+ 16	+ 2
Building permits, less federal contracts	$ 12,550	+250	+ 99
CORPUS CHRISTI (pop. 122,956[u])			
Retail sales		— 4	+ 6
Apparel stores		— 24	+ 4
Automotive stores		+ 3	+ 12
Department stores†		— 5	+ 12
Lumber, building material, and hardware stores		+ 5	— 8
Postal receipts	$ 122,371	— 4	+ 2
Building permits, less federal contracts	$ 1,999,481	— 49	— 37
Bank debits (thousands)	$ 160,441	— 3	+ 9
End-of-month deposits (thousands)‡	$ 104,034	— 2	— 12
Annual rate of deposit turnover	18.2	— 2	+ 15
Employment	62,300	0	+ 3
Manufacturing employment	8,060	x	+ 2
Percent unemployed	6.8	— 1	+ 19
CORSICANA (pop. 19,211)			
Department and apparel store sales		— 3	x
Postal receipts	$ 12,848	0	— 6
Building permits, less federal contracts	$ 68,550	— 56	— 16
Bank debits (thousands)	$ 13,257	— 5	+ 7
End-of-month deposits (thousands)‡	$ 21,658	— 1	+ 4
Annual rate of deposit turnover	7.3	— 5	+ 1
DENISON (pop. 17,504)			
Retail sales		— 6	+ 16
Department and apparel stores		— 20	+ 14
Postal receipts	$ 12,400	— 2	— 14
Building permits, less federal contracts	$ 72,306	+ 21	+ 91
Bank debits (thousands)	$ 12,794	+ 5	+ 12
End-of-month deposits (thousands)‡	$ 19,676	+ 1	+ 6
Annual rate of deposit turnover	7.8	+ 5	+ 3

City and item	May 1955	Percent change: May 1955 from Apr 1955	Percent change: May 1955 from May 1954
DALLAS (pop. 538,924[u])			
Retail sales*		— 4	+ 6
Apparel stores*		— 12	— 8
Automotive stores*		x	+ 31
Department stores†		— 3	+ 11
Eating and drinking places*		+ 3	— 15
Food stores*		— 4	+ 4
Furniture and household appliance stores*		— 1	+ 19
General merchandise stores*		— 7	x
Jewelry stores*		+ 11	+ 5
Lumber, building material, and hardware stores*		— 11	+ 23
Office, store, and school supply dealers*		+ 1	— 15
Postal receipts	$ 1,574,111	— 1	+ 6
Building permits, less federal contracts	$12,807,131	x	+ 23
Bank debits (thousands)	$ 1,961,208	+ 4	+ 17
End-of-month deposits (thousands)‡	$ 979,749	— 1	+ 7
Annual rate of deposit turnover	24.0	+ 3	+ 8
Employment	313,500	x	+ 3
Manufacturing employment	77,700	x	+ 3
Percent unemployed	2.5	— 4	— 24
DEL RIO (pop. 14,211)			
Postal receipts	$ 10,017	+ 8	+ 6
Building permits, less federal contracts	$ 123,370	+ 48	+ 97
Bank debits (thousands)	$ 8,958	+ 2	+ 8
End-of-month deposits (thousands)‡	$ 11,854	+ 1	+ 7
Annual rate of deposit turnover	9.1	0	0
EAGLE PASS (pop. 7,276)			
Postal receipts	$ 4,228	— 7	— 9
Building permits, less federal contracts	$ 11,635	— 59	— 17
Bank debits (thousands)	$ 4,300	— 6	+ 14
End-of-month deposits (thousands)‡	$ 4,065	— 15	+ 7
Annual rate of deposit turnover	11.7	— 8	— 10
EDINBURG (pop. 12,383)			
Postal receipts	$ 7,343	— 10	+ 3
Building permits, less federal contracts	$ 72,240	+ 25	+1600
Bank debits (thousands)	$ 8,901	+ 24	+ 4
End-of-month deposits (thousands)‡	$ 8,712	+ 27	— 5
Annual rate of deposit turnover	13.7	+ 12	+ 23
EL PASO (pop. 182,505[r])			
Retail sales*		— 11	+ 10
Apparel stores		— 16	+ 11
Department stores†		— 11	+ 6
Drug stores*		+ 4	+ 9
General merchandise stores*		— 14	+ 6
Lumber, building material, and hardware stores*		+ 9	+ 41
Piano and musical instrument stores*		— 21	— 4
Postal receipts	$ 192,539	— 4	+ 4
Building permits, less federal contracts	$ 2,701,604	— 25	+ 22
Bank debits (thousands)	$ 214,975	— 1	+ 23
End-of-month deposits (thousands)‡	$ 127,863	— 1	+ 6
Annual rate of deposit turnover	20.0	— 1	+ 15
Employment	74,600	+ 1	+ 5
Manufacturing employment	11,740	+ 2	+ 9
Percent unemployed	4.4	+ 22	— 6

For explanation of symbols, see page 23.

LOCAL BUSINESS CONDITIONS

City and item	May 1955	Percent change: May 1955 from Apr 1955	Percent change: May 1955 from May 1954
FORT WORTH (pop. 315,578[u])			
Retail sales*		— 2	+ 10
Apparel stores*		— 10	+ 6
Automotive stores*		+ 7	+ 29
Department stores†		— 7	+ 12
Eating and drinking places*		+ 4	+ 5
Filling stations*		+ 1	+ 41
Food stores*		— 10	— 12
Furniture and household appliance stores*		+ 23	+ 16
General merchandise stores*		— 8	+ 10
Lumber, building material, and hardware stores*		+ 4	+ 19
Postal receipts	$ 513,508	— 2	+ 7
Building permits, less federal contracts	$ 4,189,733	— 30	+ 27
Bank debits (thousands)	$ 597,608	+ 6	+ 18
End-of-month deposits (thousands)‡	$ 362,226	+ 2	+ 9
Annual rate of deposit turnover	20.0	+ 4	+ 9
Employment	181,300	+ 1	+ 4
Manufacturing employment	52,975	+ 1	+ 1
Percent unemployed	4.6	— 8	— 6
GALVESTON (pop. 71,527[u])			
Retail sales		+ 2	+ 5
Department and apparel stores		— 10	— 3
Food stores		— 21	— 8
Lumber, building material, and hardware stores		+ 11	+ 9
Postal receipts	$ 68,188	+ 1	+ 9
Building permits, less federal contracts	$ 323,488	+ 2	— 9
Bank debits (thousands)	$ 77,744	— 1	+ 13
End-of-month deposits (thousands)‡	$ 70,530	+ 1	+ 6
Annual rate of deposit turnover	13.3	0	+ 7
Employment (area)	45,450	+ 1	+ 3
Manufacturing employment (area)	11,290	+ 1	+ 2
Percent unemployed (area)	6.0	— 3	+ 2
GARLAND (pop. 10,571)			
Postal receipts	$ 12,238	— 9	+ 16
Building permits, less federal contracts	$ 965,689	— 22	+120
Bank debits (thousands)	$ 13,570	+ 10	+ 34
End-of-month deposits (thousands)‡	$ 11,991	+ 2	+ 21
Annual rate of deposit turnover	13.7	+ 11	+ 13
GIDDINGS (pop. 2,532)			
Postal receipts	$ 2,499	+ 17	+ 34
Bank debits (thousands)	$ 1,722	+ 2	— 3
End-of-month deposits (thousands)‡	$ 4,071	— 1	— 4
Annual rate of deposit turnover	5.0	+ 2	— 2
GLADEWATER (pop. 5,305)			
Postal receipts	$ 5,116	+ 7	x
Bank debits (thousands)	$ 4,223	+ 5	+ 15
End-of-month deposits (thousands)‡	$ 3,923	— 3	— 4
Annual rate of deposit turnover	12.7	+ 6	+ 17
Employment (area)	24,050	+ 1	x
Manufacturing employment (area)	3,840	+ 4	— 5
Percent unemployed (area)	5.1	— 12	0
GONZALES (pop. 5,659)			
Postal receipts	$ 3,745	+ 5	— 3
Building permits, less federal contracts	$ 21,550	— 53	+ 23
Bank debits (thousands)	$ 4,719	— 1	+ 7
End-of-month deposits (thousands)‡	$ 6,396	+ 7	+ 3
Annual rate of deposit turnover	9.1	— 5	+ 6
HARLINGEN (pop. 30,038[r])			
Postal receipts	$ 24,747	+ 2	+ 10
Building permits, less federal contracts	$ 147,280	— 65	+ 7
Bank debits (thousands)	$ 28,363	— 1	+ 19
End-of-month deposits (thousands)‡	$ 19,973	— 1	+ 11
Annual rate of deposit turnover	17.0	+ 2	+ 8
GREENVILLE (pop. 17,500[r])			
Retail sales*		+ 1	— 2
Department and apparel stores		— 20	— 8
Food stores*		— 9	.....
Lumber, building material, and hardware stores*		+ 27	— 5
Postal receipts	$ 17,154	+ 5	+ 16
Building permits, less federal contracts	$ 63,056	— 44	+ 76
Bank debits (thousands)	$ 11,397	— 4	+ 4
End-of-month deposits (thousands)‡	$ 14,260	— 2	— 6
Annual rate of deposit turnover	9.5	— 3	+ 9
HENDERSON (pop. 6,833)			
Retail sales*		+ 9	+ 20
Automotive stores*		+ 16	+ 30
Department and apparel stores		— 5	+ 5
Food stores*		+ 1	— 7
Lumber, building material, and hardware stores*		+ 4	.....
Postal receipts	$ 7,173	— 5	— 4
Building permits, less federal contracts	$ 45,500	— 18	— 57
Bank debits (thousands)	$ 5,902	+ 1	+ 18
End-of-month deposits (thousands)‡	$ 13,850	— 2	+ 4
Annual rate of deposit turnover	5.1	+ 2	+ 13
HEREFORD (pop. 5,207)			
Postal receipts	$ 4,537	— 8	— 1
Building permits, less federal contracts	$ 148,450	— 14	+ 39
Bank debits (thousands)	$ 8,240	— 1	+ 20
End-of-month deposits (thousands)‡	$ 9,538	— 7	+ 11
Annual rate of deposit turnover	10.0	+ 3	+ 5
HOUSTON (pop. 700,508[u])			
Retail sales¶		+ 2	+ 17
Apparel stores¶		— 5	+ 7
Automotive stores¶		+ 7	+ 48
Department stores†		+ 1	+ 8
Drug stores¶		x	+ 10
Eating and drinking places¶		x	— 1
Filling stations¶		+ 1	+ 21
Food stores¶		+ 1	+ 10
Furniture and household appliance stores¶		+ 5	+ 15
General merchandise stores¶		— 4	+ 11
Liquor stores¶		— 7	— 1
Lumber, building material, and hardware stores¶		+ 8	+ 24
Postal receipts	$ 1,440,214	+ 47	+ 50
Building permits, less federal contracts	$17,829,287	+ 11	+ 51
Bank debits (thousands)	$ 1,958,523	+ 7	+ 15
End-of-month deposits (thousands)‡	$ 1,153,833	— 1	+ 3
Annual rate of deposit turnover	20.3	+ 7	+ 13
Employment (area)	377,600	+ 1	+ 6
Manufacturing employment (area)	83,675	+ 1	+ 4
Percent unemployed (area)	3.3	— 6	— 23
JASPER (pop. 4,403)			
Retail sales*		+ 5	.....
Automotive stores*		+ 12	.....
Food stores*		— 9	.....
General merchandise stores*		— 16	.....
Lumber, building material, and hardware stores*		+ 21	.....
Postal receipts	$ 4,556	— 1	+ 4
Bank debits (thousands)	$ 4,784	— 13	— 3
End-of-month deposits (thousands)‡	$ 6,371	+ 1	+ 17
Annual rate of deposit turnover	9.1	— 12	— 17

For explanation of symbols, see page 23.

LOCAL BUSINESS CONDITIONS

City and item	May 1955	Percent change: May 1955 from Apr 1955	Percent change: May 1955 from May 1954
KERMIT (pop. 6,912)			
Postal receipts	$ 4,676	+ 10	+ 7
Building permits, less federal contracts	$ 24,200	− 80	− 42
Bank debits (thousands)	$ 3,452	+ 9	+ 21
End-of-month deposits (thousands)‡	$ 3,023	+ 4	+ 1
Annual rate of deposit turnover	13.9	+ 21	+ 17
KILGORE (pop. 9,638)			
Postal receipts	$ 10,330	+ 9	+ 18
Building permits, less federal contracts	$ 85,484	− 27	− 17
Bank debits (thousands)	$ 13,985	+ 12	+ 15
End-of-month deposits (thousands)‡	$ 15,316	+ 1	+ 8
Annual rate of deposit turnover	11.0	+ 12	+ 8
Employment (area)	24,050	+ 1	x
Manufacturing employment (area)	3,840	+ 4	− 5
Percent unemployed (area)	5.1	− 12	0
KILLEEN (pop. 21,076r)			
Postal receipts	$ 27,060	+ 8	+ 27
Building permits, less federal contracts	$ 506,782	+ 72	+160
Bank debits (thousands)	$ 8,069	x	+ 29
End-of-month deposits (thousands)‡	$ 5,753	− 3	− 40
Annual rate of deposit turnover	16.6	+ 4	+120
LAMESA (pop. 10,704)			
Postal receipts	$ 7,706	+ 17	+ 16
Building permits, less federal contracts	$ 9,400	− 77	− 9
Bank debits (thousands)	$ 8,186	− 9	+ 31
End-of-month deposits (thousands)‡	$ 11,928	− 5	+ 15
Annual rate of deposit turnover	8.0	− 6	+ 13
LAMPASAS (pop. 4,869)			
Retail sales*		+ 4	
Food stores*		− 15	
Postal receipts	$ 3,330	− 10	− 16
Building permits, less federal contracts	$ 64,900	− 7	− 28
Bank debits (thousands)	$ 5,397	+ 15	+ 17
End-of-month deposits (thousands)‡	$ 6,940	+ 1	+ 8
Annual rate of deposit turnover	9.4	+ 12	+ 8
LAREDO (pop. 59,350r)			
Postal receipts	$ 23,899	+ 4	− 1
Building permits, less federal contracts	$ 47,975	− 76	− 25
Bank debits (thousands)	$ 23,526	x	+ 25
End-of-month deposits (thousands)‡	$ 18,897	x	x
Annual rate of deposit turnover	14.9	− 1	+ 22
LEVELLAND (pop. 8,264)			
Postal receipts	$ 5,753	+ 5	+ 13
Building permits, less federal contracts	$ 54,150	− 56	− 41
Bank debit (thousands)	$ 6,688	− 9	+ 17
End-of-month deposits (thousands)‡	$ 10,061	− 5	+ 17
Annual rate of deposit turnover	7.8	− 2	0
LLANO (pop. 2,954)			
Postal receipts	$ 1,678	+ 6	− 14
Building permits, less federal contracts	$ 39,500	+560	+160
Bank debits (thousands)	$ 2,394	+ 18	− 18
End-of-month deposits (thousands)‡	$ 3,414	+ 1	− 5
Annual rate of deposit turnover	8.5	+ 16	− 14
LOCKHART (pop. 5,573)			
Department and apparel store sales		− 2	x
Postal receipts	$ 3,117	+ 1	+ 2
Building permits, less federal contracts	$ 30,550	− 22	+ 2
Bank debits (thousands)	$ 3,122	− 6	+ 19
End-of-month deposits (thousands)‡	$ 4,533	− 2	− 1
Annual rate of deposit turnover	8.2	− 5	+ 19
LONGVIEW (pop. 34,328r)			
Postal receipts	$ 28,787	+ 9	+ 3
Building permits, less federal contracts	$ 437,645	+ 33	− 3
Bank debits (thousands)	$ 32,636	− 2	+ 7
End-of-month deposits (thousands)‡	$ 36,760	+ 2	+ 8
Annual rate of deposit turnover	10.8	− 2	0
Employment (area)	24,050	+ 1	x
Manufacturing employment (area)	3,840	+ 4	− 5
Percent unemployed (area)	5.1	− 12	0
LUBBOCK (pop. 117,886r)			
Retail sales		− 4	+ 24
Department and apparel stores		− 10	+ 20
Lumber, building material, and hardware stores		x	− 8
Postal receipts	$ 91,274	+ 3	+ 15
Building permits, less federal contracts	$ 3,051,003	+ 55	+ 46
Bank debits (thousands)	$ 120,075	− 3	+ 31
End-of-month deposits (thousands)‡	$ 96,500	− 3	+ 21
Annual rate of deposit turnover	14.6	− 3	+ 7
Employment	42,300	x	+ 7
Manufacturing employment	4,430	− 3	+ 13
Percent unemployed	4.3	− 4	− 25
LUFKIN (pop. 15,135)			
Postal receipts	$ 13,621	− 9	x
Building permits, less federal contracts	$ 354,700	+ 85	+110
Bank debits (thousands)	$ 18,334	− 6	+ 35
End-of-month deposits (thousands)‡	$ 24,634	+ 2	+ 5
Annual rate of deposit turnover	9.0	− 8	+ 23
McALLEN (pop. 25,326r)			
Retail sales		+ 13	+ 42
Department and apparel stores		+ 26	+ 19
Postal receipts	$ 16,080	− 5	+ 1
Building permits, less federal contracts	$ 143,462	− 53	− 51
Bank debits (thousands)	17,034	x	
End-of-month deposits (thousands)‡	$ 18,249	+ 3	
Annual rate of deposit turnover	11.4	− 2	
McKINNEY (pop. 10,560)			
Building permits, less federal contracts	$ 94,896	− 2	+ 17
Bank debits (thousands)	$ 5,513	− 6	+ 5
End-of-month deposits (thousands)‡	$ 12,070	− 1	+ 5
Annual rate of deposit turnover	5.5	− 5	0
MARSHALL (pop. 25,479r)			
Department and apparel store sales		− 6	+ 5
Postal receipts	$ 17,664	+ 1	+ 14
Building permits, less federal contracts	$ 664,765	+220	+240
Bank debits (thousands)	$ 14,983	− 2	+ 22
End-of-month deposits (thousands)‡	$ 21,305	− 1	+ 8
Annual rate of deposit turnover	8.4	− 2	+ 14
MERCEDES (pop. 10,081)			
Postal receipts	$ 4,481	+ 25	+ 2
Building permits, less federal contracts	$ 1,465	− 67	− 55
Bank debits (thousands)	$ 5,356	− 1	− 23
End-of-month deposits (thousands)‡	$ 5,913	+ 3	+ 85
Annual rate of deposit turnover	11.0	− 2	− 44
MIDLAND (pop. 42,600r)			
Postal receipts	$ 47,539	+ 3	+ 8
Building permits, less federal contracts	$ 1,218,050	+ 37	+ 90
Bank debits (thousands)	$ 56,532	+ 4	+ 19
End-of-month deposits (thousands)‡	$ 73,640	x	+ 7
Annual rate of deposit turnover	9.2	+ 3	+ 11

For explanation of symbols, see page 23.

LOCAL BUSINESS CONDITIONS

City and item	May 1955	Percent change: May 1955 from Apr 1955	Percent change: May 1955 from May 1954
MONAHANS (pop. 6,311)			
Postal receipts	$ 5,177	+ 4	+ 9
Building permits, less federal contracts	$ 97,600	+ 13	+180
Bank debits (thousands)	$ 7,259	— 4	+ 17
End-of-month deposits (thousands)‡	$ 7,648	— 2	+ 19
Annual rate of deposit turnover	11.3	+ 1	0
NACOGDOCHES (pop. 12,327)			
Postal receipts	$ 8,613	— 33	+ 7
Building permits, less federal contracts	$ 36,662	— 19	— 74
Bank debits (thousands)	$ 10,075	— 14	+ 11
End-of-month deposits (thousands)‡	$ 14,801	+ 17	+ 1
Annual rate of deposit turnover	8.8	— 13	+ 17
NAVASOTA (pop. 5,188)			
Retail sales*		— 4	
Food stores*		— 5	
Lumber, building material, and hardware stores*		— 9	
Postal receipts	$ 3,850	+ 11	+ 9
Building permits, less federal contracts	$ 21,290	+ 24	+450
NEW BRAUNFELS (pop. 12,210)			
Postal receipts	$ 11,059	— 6	— 2
Building permits, less federal contracts	$ 83,295	— 71	— 11
Bank debits (thousands)	$ 7,597	— 4	+ 14
End-of-month deposits (thousands)‡	$ 10,299	+ 3	+ 9
Annual rate of deposit turnover	9.0	— 6	+ 8
ODESSA (pop. 50,807r)			
Postal receipts	$ 40,341	+ 8	+ 14
Building permits, less federal contracts	$ 2,443,815	+ 88	+ 8
Bank debits (thousands)	$ 45,743	+ 7	+ 28
End-of-month deposits (thousands)‡	$ 39,810	+ 1	+ 26
Annual rate of deposit turnover	13.8	+ 10	+ 3
ORANGE (pop. 21,174)			
Postal receipts	$ 14,529	+ 6	— 2
Bank debits (thousands)	$ 20,861	x	+ 18
End-of-month deposits (thousands)‡	$ 23,833	— 2	— 1
Annual rate of deposit turnover	10.4	+ 3	+ 17
PALESTINE (pop. 15,063r)			
Postal receipts	$ 9,678	+ 2	+ 13
Building permits, less federal contracts	$ 179,945	— 4	+450
Bank debits (thousands)	$ 6,195	+ 1	+ 12
End-of-month deposits (thousands)‡	$ 13,069	— 1	+ 3
Annual rate of deposit turnover	5.7	+ 2	+ 8
PAMPA (pop. 20,448r)			
Postal receipts	$ 14,656	— 5	+ 14
Building permits, less federal contracts	$ 739,834	+140	+160
Bank debits (thousands)	$ 15,949	+ 2	+ 15
End-of-month deposits (thousands)‡	$ 20,826	— 1	+ 7
Annual rate of deposit turnover	9.1	+ 2	
PHARR (pop. 8,690)			
Postal receipts	$ 4,669	+ 23	+ 19
Bank debits (thousands)	$ 3,714	+ 6	+ 45
End-of-month deposits (thousands)‡	$ 3,402	— 1	+ 12
Annual rate of deposit turnover	13.0	+ 7	+ 30
PLAINVIEW (pop. 14,044)			
Retail sales		— 14	— 4
Department and apparel stores		— 6	+ 1
Postal receipts	$ 12,023	+ 2	+ 2
Building permits, less federal contracts	$ 174,300	— 18	+ 18
PORT ARTHUR (pop. 82,150u)			
Retail sales*		+ 1	+ 6
Automotive stores*		+ 2	+ 5
Department and apparel stores		— 5	+ 16
Eating and drinking places*		+ 3	— 6
Food stores*		— 5	x
Furniture and household appliance stores*		— 1	+ 5
Lumber, building material, and hardware stores*		+ 23	+ 31
Postal receipts	$ 37,666	+ 6	+ 11
Building permits, less federal contracts	$ 354,994	+ 87	+ 19
Bank debits (thousands)	$ 57,639	+ 14	+ 29
End-of-month deposits (thousands)‡	$ 42,998	+ 1	+ 13
Annual rate of deposit turnover	16.2	+ 12	+ 17
Employment (area)	81,100	x	+ 4
Manufacturing employment (area)	26,500	x	x
Percent unemployed (area)	6.2	— 2	— 6
RAYMONDVILLE (pop. 9,136)			
Postal receipts	$ 4,504	— 5	+ 12
Building permits, less federal contracts	$ 20,900	— 67	+170
Bank debits (thousands)	$ 4,471	— 14	+ 22
End-of-month deposits (thousands)‡	$ 7,770	— 4	+ 12
Annual rate of deposit turnover	6.8	— 9	+ 10
ROCKDALE (pop. 4,550r)			
Postal receipts	$ 3,611	+ 32	+ 9
Building permits, less federal contracts	$ 46,625	— 70	— 37
Bank debits (thousands)	$ 3,606	— 4	+ 2
End-of-month deposits (thousands)‡	$ 3,705	x	+ 7
Annual rate of deposit turnover	11.7	— 2	+ 6
SAN ANGELO (pop. 62,359r)			
Retail sales		— 5	— 6
Department and apparel stores		— 6	x
Postal receipts	$ 53,408	+ 4	+ 3
Building permits, less federal contracts	$ 631,827	+ 40	+ 62
Bank debits (thousands)	$ 44,139	x	+ 20
End-of-month deposits (thousands)‡	$ 46,307	— 1	+ 9
Annual rate of deposit turnover	11.4	0	+ 10
Employment	22,900	+ 1	+ 4
Manufacturing employment	3,300	+ 3	+ 22
Percent unemployed	4.0	— 9	— 20
SAN ANTONIO (pop. 449,521u)			
Retail sales*		+ 3	+ 12
Apparel stores*		— 14	+ 1
Automotive stores*		+ 18	+ 34
Department stores†		+ 1	+ 13
Drug stores*		— 2	+ 3
Eating and drinking places*		— 3	+ 1
Filling stations*		+ 6	+ 29
Food stores*		+ 1	+ 12
Furniture and household appliance stores*		+ 24	+ 5
General merchandise stores*		+ 9	+ 14
Lumber, building material, and hardware stores*		— 2	+ 5
Postal receipts	$ 557,175	+ 15	+ 12
Building permits, less federal contracts	$ 4,090,740	— 17	+ 17
Bank debits (thousands)	$ 475,625	+ 6	+ 25
End-of-month deposits (thousands)‡	$ 335,444	x	+ 10
Annual rate of deposit turnover	17.0	+ 6	+ 14
Employment	180,300	+ 1	+ 3
Manufacturing employment	21,850	+ 3	+ 10
Percent unemployed	4.8	— 13	— 31

For explanation of symbols, see page 23.

LOCAL BUSINESS CONDITIONS

City and item		May 1955	Percent change: May 1955 from Apr 1955	Percent change: May 1955 from May 1954
SEGUIN (pop. 14,000 r)				
Postal receipts	$	8,027	+ 3	— 5
Building permits, less federal contracts	$	41,235	— 90	— 74
Bank debits (thousands)	$	7,473	x	+ 17
End-of-month deposits (thousands)‡	$	16,504	— 1	— 1
Annual rate of deposit turnover		5.4	+ 2	+ 15
SHERMAN (pop. 25,855r)				
Retail sales			+ 2	+ 17
Department and apparel stores			— 14	+ 3
Furniture and household appliance stores			— 3	+ 37
Lumber, building material, and hardware stores			+ 89	+ 70
Postal receipts	$	23,682	— 5	+ 1
Building permits, less federal contracts	$	564,586	+170	+240
Bank debits (thousands)	$	26,193	— 1	+ 7
End-of-month deposits (thousands)‡	$	18,229	+ 2	+ 13
Annual rate of deposit turnover		17.4	— 1	— 6
SNYDER (pop. 14,111r)				
Department and apparel store sales			— 6	+ 12
Postal receipts	$	10,438	+ 26	+ 25
Building permits, less federal contracts	$	114,000	— 38	+ 33
Bank debits (thousands)	$	14,367	+ 6	+ 9
End-of-month deposits (thousands)‡	$	13,073	+ 1	+ 2
Annual rate of deposit turnover		13.2	+ 6	+ 6
SULPHUR SPRINGS (pop. 9,890 r)				
Postal receipts	$	5,721	— 4	— 7
Building permits, less federal contracts	$	95,000	— 42	+ 63
Bank debits (thousands)	$	7,700	+ 7	+ 26
End-of-month deposits (thousands)‡	$	10,849	+ 5	x
Annual rate of deposit turnover		8.7	+ 5	+ 28
SWEETWATER (pop. 13,619)				
Postal receipts	$	16,641	+ 58	+ 66
Building permits, less federal contracts	$	54,735	— 88	+ 53
Bank debits (thousands)	$	8,871	x	+ 10
End-of-month deposits (thousands)‡	$	10,709	+ 2	+ 12
Annual rate of deposit turnover		10.1	— 3	0
TEMPLE (pop. 25,467)				
Retail sales			— 2	+ 2
Apparel stores			— 22	+ 9
Department and apparel stores			— 22	+ 9
Drug stores			+ 1	+ 1
Food stores			— 11	+ 1
Furniture and household appliance stores			+ 22	+ 35
Lumber, building material, and hardware stores			— 6	— 17
Postal receipts	$	26,343	— 5	+ 9
Building permits, less federal contracts	$	719,557	+ 33	+330
Bank debits (thousands)	$	18,869	— 6	+ 23
End-of-month deposits (thousands)‡	$	23,844	+ 3	x
Annual rate of deposit turnover		9.6	— 7	+ 23
TEXARKANA (pop. 24,753)				
Retail sales§			— 1	+ 10
Postal receipts§	$	42,683	+ 8	+ 9
Building permits, less federal contracts	$	163,210	— 41	+140
Bank debits (thousands)§	$	36,283	— 3	+ 11
End-of-month deposits (thousands)‡	$	17,242	— 3	— 3
Annual rate of deposit turnover		12.0	— 6	+ 17
Employment§		34,600	+ 1	+ 2
Manufacturing employment§		5,390	+ 2	— 4
Percent unemployed§		8.1	— 16	— 37
TAYLOR (pop. 9,071)				
Postal receipts	$	6,691	— 17	+ 8
Building permits, less federal contracts	$	44,475	— 80	— 63
Bank debits (thousands)	$	6,883	— 7	— 24
End-of-month deposits (thousands)‡	$	13,528	— 5	— 5
Annual rate of deposit turnover		6.0	0	— 21
TEXAS CITY (pop. 23,000r)				
Department and apparel store sales			— 9	— 2
Postal receipts	$	13,595	— 3	+ 6
Building permits, less federal contracts	$	450,190	— 24	— 44
Bank debits (thousands)	$	26,696	+ 8	+ 3
End-of-month deposits (thousands)‡	$	28,299	+ 18	+ 9
Annual rate of deposit turnover		12.3	+ 6	+ 6
Employment (area)		45,450	+ 1	+ 3
Manufacturing employment (area)		11,290	+ 1	+ 2
Percent unemployed (area)		6.0	— 3	+ 2
TYLER (pop. 49,443 r)				
Postal receipts	$	58,113	— 20	+ 2
Building permits, less federal contracts	$	1,297,155	+ 14	+120
Bank debits (thousands)	$	68,253	— 6	+ 13
End-of-month deposits (thousands)‡	$	57,584	— 3	x
Annual rate of deposit turnover		14.0	— 6	+ 10
VICTORIA (pop. 16,126)				
Retail sales*			— 5	— 2
Automotive stores*			— 12	+ 2
Department and apparel stores			— 2	+ 3
Eating and drinking places*			+ 4	— 4
Filling stations*			+ 4	— 8
Food stores*			+ 6	— 16
Lumber, building material, and hardware stores*			— 1	+ 38
Postal receipts	$	22,111	+ 1	+ 10
Building permits, less federal contracts	$	540,761	+ 38	—
WACO (pop. 101,824r)				
Retail sales			+ 2	+ 17
Department stores†			+ 3	+ 14
Furniture and household appliance stores			+ 21	+ 19
Postal receipts	$	113,290	+ 4	+ 9
Building permits, less federal contracts	$	832,062	— 24	x
Bank debits (thousands)	$	82,726	— 8	+ 13
End-of-month deposits (thousands)‡	$	67,102	+ 1	+ 10
Annual rate of deposit turnover		14.5	— 8	+ 1
Employment		46,150	x	+ 5
Manufacturing employment		8,730	+ 2	+ 6
Percent unemployed		5.1	— 11	— 20
WICHITA FALLS (pop. 103,192 r)				
Retail sales			+ 4	+ 17
Department and apparel stores			— 2	— 9
Postal receipts	$	85,395	+ 16	+ 10
Building permits, less federal contracts	$	1,218,067	— 9	+140
Bank debits (thousands)	$	93,460	+ 2	+ 19
End-of-month deposits (thousands)‡	$	104,603	— 1	+ 7
Annual rate of deposit turnover		10.7	+ 1	+ 11
Employment		35,800	+ 1	+ 3
Manufacturing employment		3,410	+ 1	+ 3
Percent unemployed		4.5	0	— 20

x Change is less than one-half of one percent.

* Preliminary.

†Reported by the Federal Reserve Board of Dallas.

‡ Money on deposit at the end of the month, but excludes deposits to the credit of banks.

¶ Reported by the Bureau of Business and Economic Research, University of Houston for Houston metropolitan area as defined in 1950 Census.

§ Figures include Texarkana, Arkansas (pop. 15,875) and Texarkana, Texas (pop. 24,753).

r Revised for use by Texas Highway Department.

u Population of urbanized area, 1950 Census.

BAROMETERS OF TEXAS BUSINESS

	May 1955	Apr 1955	Mar 1955	Year-to-date average 1955	Average month 1954
GENERAL BUSINESS ACTIVITY					
†**Index of Texas Business Activity (100.0)**	177*	176*	176*	172	163
Index of bank debits	205	195	202	196	177
Index of bank debits in the United States	173	163	171	168	160
Income payments to individuals in the United States (billions—seasonally adjusted at an annual rate)	...	$ 295.6*	$ 294.6	$ 293.5	$ 286.4
Index of wholesale prices in the United States, unadjusted	...	110.5	110.0	110.2	110.3
Index of consumers' prices in the United States, unadjusted	114.2	114.2	114.3	114.3	114.8
‡Index of consumers' prices in Houston, unadjusted	115.5	...	...	115.6	116.7
Index of postal receipts	228	206	224	211	174
†Index of miscellaneous freight carloadings in the Southwestern District (10.0)	95	93	95	94	93
Corporation charters issued (number)	...	515	509	500	345
Business failures (number)	13	10	19	14	20
†Index of ordinary life insurance sales, adjusted for price changes (4.2)	201	206	226	211	172
Index of ordinary life insurance sales	230	235	258	241	197
Index of ordinary life insurance sales in the West South Central states	233	230	250	232	192
Index of ordinary life insurance sales in the United States	202	193	207	197	170
TRADE					
†Index of total retail sales, adjusted for price changes (46.8)	156*	158	150	154	143
Index of total retail sales	173*	176	178	173	160
Durable-goods stores	188*	188	194	187	162
Nondurable-goods stores	166*	170	169	165	159
Ratio of credit sales to net sales in department and apparel stores	62.8	64.3	64.4	63.5	63.0
Ratio of collections to outstandings in department and apparel stores	38.6	37.1	40.0	38.5	39.0
PRODUCTION					
†Index of industrial electric power consumption (14.6)	309*	310*	286*	292	238
†Index of crude runs to stills (3.9)	138	142	149	141	127
Index of cottonseed crushed	...	209	135	147	150
†Index of construction authorized, adjusted for price changes (9.4)	181*	152*	166*	163	141
Index of construction authorized	243*	204*	223*	218	186
†Index of crude petroleum production (8.1)	124*	131*	133	130	117
Index of southern pine production, unadjusted, 1935–39=100	...	124	132	120	117
Index of gasoline consumption	...	173	173	177	173
Index of industrial production in the United States	138*	136	135	135	125
†Index of total electric power consumption (3.0)	284*	284*	268*	269	235
Construction contracts awarded (thousands)	$151,223	$131,455	$132,586	$129,389	$111,196
Index of dairy products manufactured	56*	62*	98*	75	62
Index of natural gas production	...	172	179	173	169
Index of cement consumption	...	155	178	171	153
AGRICULTURE					
Index of prices received by farmers, unadjusted, 1909–14=100	260	267	266	265	265
Index of prices paid by farmers in the United States, parity index—unadjusted, 1910–14=100	282	284	284	283	281
Ratio of Texas farm prices received to U.S. prices paid by farmers	92	94	94	94	94
Index of farm cash income, unadjusted	61	68*	60	67	98
Index of prices received by farmers—livestock, unadjusted, 1909–14=100	267	283	283	279	284
Index of prices received by farmers—all crops, unadjusted, 1909–14=100	255	255	253	254	251
FINANCE					
Loans, reporting member banks in the Dallas district (millions)	$ 2,211	$ 2,170	$ 2,156	$ 2,164	$ 1,950
Loans and investments, reporting member banks in the Dallas district (millions)	$ 3,728	$ 3,732	$ 3,651	$ 3,701	$ 3,494
Demand deposits adjusted, reporting member banks in the Dallas district (millions)	$ 2,740	$ 2,700	$ 2,635	$ 2,693	$ 2,552
Bank debits in 20 cities (millions)	$ 6,475	$ 6,201	$ 6,738	$ 6,348	$ 5,849
Revenue receipts of the State Comptroller (thousands)	$108,926	$ 90,541	$ 72,714	$ 78,743	$ 62,930
Federal Internal Revenue Collections (thousands)	$235,689	$159,205	$288,791	$234,563	$183,604
LABOR					
Total nonagricultural employment (thousands)	2,238.3*	2,230.4	2,212.1	2,213.5	2,189.6
Total manufacturing employment (thousands)	431.7*	425.3	423.4	425.2	424.8
Durable-goods employment (thousands)	203.9*	200.7	198.6	199.5	199.7
Nondurable-goods employment (thousands)	227.8*	224.6	224.8	225.7	225.2

All figures are for Texas unless otherwise indicated. All indexes are based on the average months for 1947–49, except where indicated and are adjusted for seasonal variation, except annual indexes.

Employment estimates have been adjusted to first quarter 1954 benchmarks.

*Preliminary.

†The index of business activity is a weighted average of the indexes indicated by a dagger (†). The weight given each index in computing the composite is given in parentheses.

‡Index computed for February, May, August, and November only.